PATENT
Our File: WILL 2501

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re the Reissue Application of: BILL L. DAVIS and JESSE S. WILLIAMSON	§	
For Reissue of U. S. Patent 5,630,363 Issued May 20, 1997 Serial No. 08/515,097	§	Group Art Unit: 2854
Filing Date: May 20, 1999 (Reissue)	§	Examiner: _____
Serial No.: 09/315,796 (Reissue)	§	
For: COMBINED LITHOGRAPHIC/ FLEXOGRAPHIC PRINTING APPARATUS AND PROCESS	§	

DECLARATION OF SCOTT BROWN

TO: The Honorable Commissioner of
Patents and Trademarks
Washington, D.C. 20231

SIR:

I, Scott Brown, declare on my oath the following:

1. I am a sales representative for Heidelberg, U.S.A., Incorporated, having come to work for my present employer in April 1994. I am 34 years of age, and reside at 2813 Seminery Circle, Garland, Texas 75043 and am competent to make this testimony. I have never been convicted of any felony.

2. Shortly after I came to work for Heidelberg U.S.A. in April 1994, I became involved in a sales campaign to sell Williamson Printing Company ("Williamson") a number of offset lithography presses, all to be manufactured in WEISLOCH Heidelberg, Germany. I met Jesse Williamson and Bill Davis in the late spring of 1994, and was told by them of their WIMS proprietary process for printing metallic inks by offset lithography. Upon learning the fundamentals of this process as explained to me by Jesse Williamson and Bill Davis, I told the

President of Heidelberg U.S.A., Hans Peetz-Larsen, of this process. See Exhibit A. As I recall, sometime in June or July of 1994, Williamson made an oral commitment to buy Heidelberg's presses, as is evidenced by a letter from Jerry Williamson, Chairman of Williamson, to Bob Boyer, my supervisor, of August 5, 1994. See Exhibit B, which came from our company's files and was filed in the normal course of business and is part of Heidelberg's U.S.A.'s records. At about the time of the August 5, 1994 Jerry Williamson letter, Exhibit B, Jesse Williamson and Bill Davis explained to me that they intended to improve the existing WIMS process by having flexography performed prior to offset lithography in an on-line operation, all in one pass. They indicated several methods that this could be done, in one manner with a dedicated flexography station, and another by an auxiliary add-on unit. They mentioned the use of a high velocity drying system being employed, and the possibility of using a modified Printing Research, Inc. printer-coater as an interstation add-on for flexographic applications. They wanted to perform tests to demonstrate the merits of this new, improved process to be conducted in Germany.

3. Accordingly, I contacted Gregory Canty of BASF in Holland, Michigan concerning their company's flexographic "round exposure unit" for making flexographic plates, and received a proposal from him for Williamson (Exhibits C, D) in early September 1994. The type of BASF plate-making equipment which Canty proposed to me already existed at our company's facilities in Heidelberg, Germany. Heidelberg U.S.A. was amenable to changing the design of one of its stations to adapt it for an anilox roller and flexographic operation, passing on the increase in costs due to acquired equipment to the customer, such as Williamson. We demonstrated a triple tower and an anilox roller (located at the first tower) to Jesse Williamson on the North American continent at the location of one of Heidelberg Canada's customers located in Montreal, Canada, in early November 1994. See Group Exhibit E. Jesse Williamson and Bill Davis wanted off-line tests conducted on their new process – i.e., simulations of a one-pass operation using flexography as a step prior to offset lithography – done at our parent company's offices (Heidelberg Drucksmaschinen A.G.) in Germany. Accordingly, we originally scheduled

these tests for December 10, 1994. See Exhibit F. That trip was subsequently rescheduled for January 20-21, 1995. After the trip to Montreal, detailed preparations were commenced for the tests in Germany (at Jesse Williamson's and Bill Davis' instructions), using BASF plate-making equipment already existing at Heidelberg, Germany, flexographic inks acquired from Wolstenholme in the United Kingdom, and plates made from Eckart, a German manufacturer, from negatives of Williamson's using the BASF equipment. See Exhibit G.

4. I left for Germany on January 17, 1995, according to my schedule book. I recall taking an American Airlines wide-body jet to Frankfort, and the following morning leaving on an unexpectedly 20 minute-late train to Heidelberg, Germany. I recall it was very cold and windy and all of us nearly froze to death on the train platform, especially Jesse Williamson. I remember January 20-21, 1995 and the tests at Heidelberg, Germany quite well. This was my first trip to Germany. We stayed at the Holiday Inn in Heidelberg. January 20 was Jesse Williamson's birthday. It was a very cold and gray day in Germany on January 20, 1995. We had a nice lunch at the Company's café, and I recall I had salmon, and there were nice wines and a dessert of sorbets and ice-cream-shaped to look like tomatoes. See Exhibit H, a group of pages concerning the trip from my scheduling book. In attendance at the tests were Jerry Williamson, Jesse Williamson and Bill Davis, all from Williamson, who were directing the tests, Michael Yates and Steve Clark from Wolstenholme, Peter Schwaab, Reginald Retting, and Klaus Sauer from Heidelberg Drucksmaschinen A.G., and Bob Boyer (my supervisor) and the undersigned from Heidelberg, U.S.A.

5. The day-long tests on January 20, 1995 involved comparisons of the results of the new WIMS improved process over the old process and involved rerunning some established Williamson advertisements made for Rolex, some art work involving (I recall) a 1957 Chevrolet bumper grill, an apple of some configuration, a memorable portion of an automobile brochure comprising a silver Lexus driving on a wet cobblestone road (having a shimmery look with a gold reflection off of puddles on the cobblestone), and finally some test-type patterns, all

configured on one approximate 25" x 38" sheet, to be run through the press, first with one or more flexography runs using an anilox roller and the flexographic plates made from the BASF equipment previously mentioned, and followed up by offset lithography. With respect to the Lexus brochure portion, the multiple hues of the gold and silver metallics, blended with the natural wet cobblestones, were most impressive. I recall that the tests took all day, from early in the morning until well after dark, and continued the next day. Jesse Williamson was directing the work of the German Heidelberg Drucksmaschinen A.G. technicians. We were all impressed with the quality of the images produced from the BASF-produced plates, which I attributed to the process and, in part, to the round exposure unit. There was unusual brilliance for the metallic inks involved, and without distortion. The German technicians liked what they saw. Several hundred impressions were printed, and sent through the presses in multiple passes, with the flexography step being done first, as the anilox roller existed end-of-press on the coating tower. At the end of the first day of tests, January 20, 1995, I recall we went to dinner at the Haukteafel Restaurant in Heidelberg, Germany. The second day, January 21, 1995, involved more tests and discussions involving the proposed technician changes at the forthcoming DRUPA conference to be held in Dusseldorf, Germany.

6. The results – especially comparing the older results of the WIMS process with the new, improved process were very impressive to me – the enhanced brilliance of the metallic colors in the Rolex advertisement and the Lexus brochure were especially memorable, as the impressions had a sheen that was clearly of more brilliance that the older WIMS counterpart impressions. I recall discussing these results immediately with my supervisor, Bob Boyer after my return to Dallas in late January 1995.

The undersigned Declarant stated further that all statements made herein of Declarant's own knowledge are true, and that all statements made on information and belief are believed to be true; and further that these statements were made with the knowledge that willful false

statements and the like so made are punishable by fine or imprisonment, or both, under Section 1001 of Title 18 of the United States Code.

Scott Brown

Scott Brown

12/30/99

Date:

A

HEIDELBERG
USA
Office of the President
Corporate - New York

TELEFAX MESSAGE

June 3, 1994

To: BOB BOYER, DALLAS

From: Hans Peetz-Larsen, New York

Re: Williamson Printing Corp.

Attached is draft of letter to Williamson Printing. Please critique and make sure nothing was left out of what you wanted to include.

Also, what is WIMS and inGrain process that you speak about?

hmp
HP-Limp
ATTCH.

Total pages of fax: 2

WIMS = WILLIAMSON INTEGRATED METALIC SEPARATION

SIX COLOR SEPARATION OF PROCESS COLORS AND SILVER AND GOLD METALIC. THE PROCESS GREATLY ENHANCES SILVER AND GOLD IMAGES (WATCHES, PERFUME ETC)

WIMS IS A PATENTED PROCESS

Personal letter to each

HEIDELBERG USA

Office of the President

Heidelberg USA, Inc.
90-30 Metropolitan Avenue
Rego Park, NY 11374
Phone 718-830-7602, Fax 718-275-6663

Mr. Jerry Williamson, Chairman of the Board
Mr. Jesse Williamson, President
Williamson Printing Corporation
6700 Denton Drive
Dallas, Texas 75235

June 3, 1994

Dear Jerry and Jesse,

We have always held Williamson Printing Corporation in high esteem and recognize you as a pioneer in new printing technologies such as WIMS and inGrain processing. Your contribution to our industry is well known and it is indeed an honor for me to serve with Jerry on the Boards of PIA and GATF.

Family companies at their best can achieve tremendous successes. You are one of those, well known and well respected for top quality printing and certainly one of the top award winning printers in our country.

Below I quote our Mission Statement, which reads.

> " Heidelberg USA is totally committed to be the partner of choice to the U.S. Printing Industry. We are determined to set standards as the leader in technology and quality of equipment. Each and every employee of Heidelberg USA is dedicated to provide excellent customer service and support. "

We feel we have many things in common with you and it has been one of our key goals to earn your trust and to become a business partner of yours. YOUR PARTNER OF CHOICE.

Thank you very much for your courtesy to my colleagues during prior visits to your company. I now look forward very much to visit with you on Tuesday, June 7th, and hope that we will find common ground so that we can become business partners for the mutual benefit of Williamson Printing Corporation and the Heidelberg Group.

Sincerely,

HP-L/rmp

Hans Peetz-Larsen
President

B

Williamson Printing Corporation
6700 Denton Drive • Dallas, Texas 75235 • (214) 904-2100

August 5, 1994

Mr. Bob Boyer
Regional Manager
Heidelberg USA
1801 Royal Lane, Suite 1012
Dallas, TX 75229

Re: Sheetfed Press Transaction
WPC and Heidelberg USA

Dear Bob:

I have reviewed your letter dated August 5, 1994, which was in response to my letter addressed to you dated August 1, 1994, regarding the above referenced. Pursuant to our meeting and discussion of this morning, I will respond to each of your paragraphs in the order as presented in your letter, being the same order as presented in my letter, but will omit those paragraphs on which you have stated your agreement.

WPC's response is as follows:

(1) Site preparation - We understand your position here that the cost of "site preparation" can vary tremendously, and is not normally included in the financing. However, we would like to include the cost of "site preparation" as part of our installation cost because it does represent part of the total capital expenditure. As soon as we have details and a cost budget, we will relay that information to you.

(2) Six (6) color triple tower, double coater press - We understand that you do not have one of these presses currently in the Heidelberg "pipeline," and therefore not available before five (5) to six (6) months. We agreed to substitute this six (6) color triple tower, double coater press for the first eight (8) color press we had originally ordered in the first press order.

(3) UV Drying capabilities for the six (6) triple tower, double coater press - We understand that this unit has not been included in the quoted prices. We agree with your suggestion not to place an order for this unit until after we have had our demonstration at Interglobe Printing in Montreal, Canada, and after having received a presentation from the manufactuer. We understand that there will be additional cost for this unit.

(5) Bailment arrangements on first two (2) presses - We have a mutual understanding as to the reasons we must delay transfer of title or payment of consideration prior to January 1, 1995, and you have assured me that Heidelberg will resolve this concern to our satisfaction in order to reach our objective. Perhaps a bailment agreement with some type of guarantee, maybe a side-letter agreement, transferring title after January 1, 1995, would satisfy both parties.

(7) "Pre-DRUPA"/"DRUPA" trade-in agreement - We agree to modify our paragraph (7) to reflect those changes, establishing a trade-in value of market value, or 70% of purchase price, whichever is greater, in the second year, and establishing a fixed purchase price on the "DRUPA" presses, not to exceed 5% over the cost/ quoted price/final price, of the "Pre-DRUPA" presses.

(11) Expenses for WPC personnel - we agree that there should not be available an unlimited number of WPC personnel sent on demonstrations and/or tests. We agree that three (3) people representing WPC is a reasonable number, with the understanding that you will extend us some flexibility on that number should there be a good reason to add one or two more.

(12) Expenses for WPC personnel - Same as described in (11) above.

(13) Expenses for WPC personnel - Same as described in (11 and 12) above.

(14) Expenses for training - We need to better clarify just how many WPC people you are willing to include here, for example, number of press crew personnel, and engineering/maintenance personnel - a total of four (4) does not seem adequate under the circumstances. It is in both of our best interest for us to get off to a very good start, which will require superior training and preparation.

(16) Legal review of changes to contract - We await the response from your legal division after they have had an opportunity to review the revised contracts, including our cover letter. You stated that you did not feel that there would be any problem in getting such an approval from your legal division.

Bob, I hope my comments stated above in response to your's, will bring us closer to a "meeting of the minds," and that your legal division will see fit to approve all of the details, which I believe are in accordance with our agreement and understanding.

I appreciate your coming by this morning so we could try to resolve the unanswered issues. I also appreciate your bringing by Hugh and Ian Lyons, whom I enjoyed meeting, and my having the opportunity of visiting with all of you, all be it briefly.

Speaking in behalf of all of us here at WPC, we are all very much looking forward to establishing a good strong business alliance and long-term partnership.

If you have any questions, please do not hesitate to give me a call.

Very truly yours,

Jerry Williamson
Chairman of the Board

JBW:db

cc: Bill Davis
Woody Dixon
Bob Emrick
Jesse Williamson

C

BASF CORPORATION

PROPOSAL FOR

WILLIAMSON PRINTING CORPORATION

October 13, 1994

Mr. Richard Torres
Pre-Press Director
Williamson Printing Corporation
6700 Denton Drive
Dallas, Texas 75235

Dear Mr. Torres:

We are pleased to offer Williamson Printing Corporation a proposal designed to provide you with the most advanced, efficient and profit producing plate technology in the world today. We are certain it will enhance your productivity, quality and safety while reducing your costs for many years to come.

The contents of this offering contain several financial enhancements that we believe will produce early satisfaction and substantial benefits for Williamson Printing Corporation.

We are delighted with your interest and consideration. We look forward to a long, friendly and beneficial relationship.

Sincerely,

Gregory Canty
Technical Sales Representative
Printing Plate Systems

Enclosures

cc. Carl Weber
Brian Reilly
File

BASF CORPORATION

BASF Corporation, headquarters in Parsippany, New Jersey, is now one of the ten largest chemical companies in North American with annual sales of over $5 billion. Products manufactured by our 18,000 employees in North America make up more the 90% of BASF Corporation sales.

Key components of BASF's North American business included Fibers, Chemicals, Information Systems, Structural Materials and the Coatings & Colorants Division.

COATINGS & COLORANTS

The Coatings & Colorants Division is composed of Automotive OEM Coatings, Automotive Refinishing Products, Printing Plates, Publication Inks and Container Inks and Coatings.

The Graphic Systems Operating Division within Coatings & Colorants now integrates BASF's printing products operations and substantially increases our ability to efficiently serve the Graphic Arts industry. This organization combines Printing Plate Systems and Publication Inks. Printing Plate Systems continual progresses with its nyloflex® flexographic plates and processing equipment as well as its nyloprint lines.

Plates, publication inks, coatings and pressroom chemical products position Coatings & Colorants as a broad based supplier to the Graphic Arts industry. Vertical integration in pigments (Chemicals Division, Holland, Michigan) and ink vehicles (Coatings & Colorants Division, Greenville, Ohio) provide the raw material technologies and supply consistency required of a major supplier.

With an extensive localized service and distribution network in the United States, Coatings & Colorants effectively combines all the benefits of large company capabilities with the personalized service of the best of smaller concerns. Coatings & Colorants brings these capabilities to all of the major printing markets.

Coatings & Colorants' strengths in the United States are reinforced by the worldwide strength of the BASF Group with headquarters in Germany.

Extensive research capabilities focused on all aspects of printing technology and supply keeps BASF on the leading edge of technology around the world.

TABLE OF CONTENTS

I. INTRODUCTION

BASF Corporation, Printing Plates Systems is pleased to offer this proposal for our nyloflex® LW 116 coating plates and processing equipment to Williamson Printing Corporation, Dallas, Texas. The benefits detailed in this proposal, such as optimized value, efficient service, product quality and consistency will in our opinion yield significant improvements

II. PRODUCT AND BENEFITS

nyloflex® LW 116 Coating Plates

BASF coating plates have replaced hand-cut blankets to reduce press "make-ready" and downtime. They are suitable for either aqueous or UV coatings. These plates meet all of the requirements for fine detail coating jobs due to their capacity to hold high resolution elements. They offer high dimensional stability and are mounted comparable to any other printing plate. A register system facilitates accurate positioning.

The nyloflex® LW 116 coating plates represents an ideal combination of advantages.

High contrast

Sharp edges

Uniform coating film

No build-up of offset ink

Technical Information

0.046 inches thick

0.001 inches Polyester base

0.036 inches relief depth

Shore A 75 hardness

Available sheet sizes: 35 x 42, 50 x 58, 51 x 57.8, 8 sheets per carton. LW 116, 35 x 42, are available at $203.86 per plate.

W013346

nyloflex® RB 270 L Round Exposing Unit

The newly developed BASF RB 270 L round exposing unit exposes nyloflex® coating plates. Different cylinder circumferences allow 1:1 transfer from negatives without time consuming and cost intensive film distortion.

Advantages

- Guide rails provide easy access to the exposing cylinder
- Exposing cylinders of differing diameters and widths are available as necessary
- Fast plate mounting with register bar using conventional register punch. The plate and film are mounted outside of the unit
- Easy to use wrap around vacuum sheet
- Fast vacuum build up
- Short exposure time with high output UV exposure lamps with reflectors
- Simply UV lamp function review
- Electronic timer
- Table top unit supporting frame or legs available as extra accessories

Technical Data

Maximum plate size	32.5 x 55.25 inches*
Cylinder weight	410 lbs. gross, 220 lbs. net
Exposing unit weight	915 lbs. gross, 540 lbs. net
Dimensions	L 79.5 inches W 32.5 inches H 35.5 inches
Power	220 V, Three phase, 60 HZ, 16 amps
Lamps	20 Philips TL 80 W/10 R 59 1/16 inches

*Valid for diameters of 10.625 inches. Maximum exposure cylinder 10.625

nyloflex® DW 135L Washout Unit

The BASF nyloflex® DW 135L continuous flow washout unit provides a convenient, efficient method of processing LW 116 coating plates. The exposed plates are automatically transported by a roller system through the processing section. The nyloflex®

DW 135L utilizes the proven principle of friction washoat with oscillating plush pads gently removing the unexposed photopolymer with a solution of 1 percent caustic soda maintained between 122 and 131° F. The system provides totally automatic washout, rinsing, and pre-drying

Advantages

Dry to dry plate handling

User friendly operation and maintenance

Easily removable, long lasting plush pads

Individually adjustable plush pad supports

Variable speed plate through put within a suitable range

Digital displayed flow speed

Pre-drying by circulated warm air

Easily readable displays for water temperature and pre-drying temperature

Technical Data

Maximum plate width	53.125 inches
Minimum plate length	15.75 inches
Weight	Approximately 1,430 lbs.
Dimensions	L 144 inches W 87 inches H 52 inches
Tank capacity	53 gallons each
Exhaust rate	280 feet per minute, 4 inch diameter
Power	220 V, Three phase, 60 HZ, 16 amps

nyloflex® F III Dryer

The BASF nyloflex® F III dryer provides an ease of operation in an energy efficient, user friendly unit. The F III dryer ensures uniform temperature distribution of + - 1° C within the drawers. Operator safety is enhanced by an automatic shut off of the heating elements and circulation fans when opening the drawers. Additional safety features include an automatic shut down should temperatures exceed safety thresholds.

Advantages

- User friendly
- Uniform temperature distribution
- Energy efficient
- Automatic safety shut off

Technical Data

Maximum plate size	36.25 x 47.25 inches
Dimensions	L 80.8 inches W 42.9 inches H 36.2 inches
Weight	772 lbs.
Exhaust	5 inches diameter
Power	220 V, Three phase, 60 Hz, 50 amps

W013349

III. PROPOSAL AND OPTIONS OF FINANCING

A. BASF will supply, at a substantial discount, its nyloflex® coating plates processing systems to Williamson Printing Corporation, Dallas, Texas.

B. A certified BASF equipment engineer will assist you in the design of your platemaking facility, as well as the installation of the systems.

C. Qualified BASF technicians will train the in-plant platemakers to properly operate and maintain the systems, maximizing their value.

D. BASF will provide personnel at no charge to remain on location until all in-plant personnel are qualified in the proper platemaking skills. In addition we will conduct periodic quality control audits of systems procedures to ensure that plate preparation systems are correct and maximizing performance.

nyloflex® COATING PLATE PROCESSING EQUIPMENT

Description	List Price	Williamson Printing
RB 270L 32 x 55.25 inches	$18,972	$14,373
DW 135L Max. Plate Width 53.125 inches	$62,937	$47,680
F III Dryer 36 x 47.25 inches	$32,367	$24,520
Total	$114,276	$86,573

Note: The above items have an approximate eight to twelve weeks delivery after receipt of written order. Shipping is F.O.B., Zeeland, Michigan.

EQUIPMENT PURCHASE OPTIONS

The following options are available to Williamson Printing Corporation from the BASF, Printing Plate Systems Division, and are as follows for the purchase of the desired equipment:

OPTION 1 BASF will provide the desired equipment to Williamson Printing Corporation at the special price requiring a twenty-five (25%) down payment of $21,643.25 with the order. Williamson Printing Corporation to pay the balance ($64,929.75) in normal billing time of thirty (30) days.

OPTION 2 BASF will provide the desired equipment to Williamson Printing Corporation at list price requiring a twenty-five (25%) down payment of $28,569. Williamson Printing Corporation shall pay the balance of $85,707 during a period of twelve (12) months in equal payments of $7,142.25. No interest charges will apply.

BASF will apply plate purchases to our rebate program should Williamson Printing Corporation choose to accept Option 1. BASF will not apply plate purchases to our rebate program should Williamson Printing Corporation choose to accept Option 2. We will apply plate purchases to our rebate program after the payment period in the case of Option 2.

BASF will file the necessary UCC-1 forms while Williamson Printing Corporation pays for the equipment. In addition, Williamson Printing Corporation and BASF must sign an Equipment Sales Agreement.

VI. REBATE PROPOSAL

BASF proposes the following rebate schedule:

ANNUAL PURCHASE VOLUME	REBATE
$ 25,000 - $ 49,999	1.5%
$ 50,000 - $ 99,999	2.5%
$ 100,000 - $ 249,999	5.0%
$ 250,000 - $ 499,999	8.0%

Rebate schedule applies only to plate purchases.

VII. DURATION OF AGREEMENT

BASF submits this proposal to Williamson Printing Corporation with all prices on equipment confirmed as of October 13, 1994.

VIII. TECHNICAL AND CUSTOMER SERVICE SUPPORT

Technical Support

BASF provides a 24 hour, 7 days a week, Technical BASF hot line, 1-800-343-4700.

Customer Service

BASF provides extended Customer Service office hours from 8:00 AM to 5:00 PM eastern time.

Priority Service - BASF will specify a Customer Service Representative to work with Williamson Printing Corporation to expedite orders and answer any questions that may arise.

W013353

D

BASF Corporation

BASF

Graphics Group

ROUND EXPOSURE UNIT RB 270 L
(FOR lw coating plates)

Max size : 820 x 1400mm for cylinders up to 260mm diameter 230 V / single phase / 50 Hz	15672
Underframe	2055
Leg asembly	1402
	19129
Add'l cylinder For cylinder 240-260mm diameter	11687
	$30816

491 Columbia Avenue, Holland, Michigan 49423 (616) 392-2391 Telecopier (616) 392-1340

BASF

TELEFAX FROM BASF
1st FLOOR - PRINTING PLATE SYSTEMS
FAX # 616 393-5286

TO: Scott Brown

LOCATION: Heidelberg USA

TELEFAX # 214-506-0476

FROM: Domenic Coppola

DATE: 9-6-94

1 Pages to follow (excluding cover)

If you have any problems or do not receive all of your pages, please notify sender at (616) 393-5248.

COMMENTS:

481 Columbia Avenue, Holland, Michigan 49423 (616) 392-2391 Telecopier: (616) 392-1340

nyloflex®

The new standard for exposing photopolymer coating plates: RB 270 L round exposing unit.

The newly developed RB 270 L round exposing unit serves for exposing photopolymer coating plates and other photopolymer plate types; different cylinder circumferences permit information transfer from 1:1 negative films without time-consuming and cost-intensive film distortion.

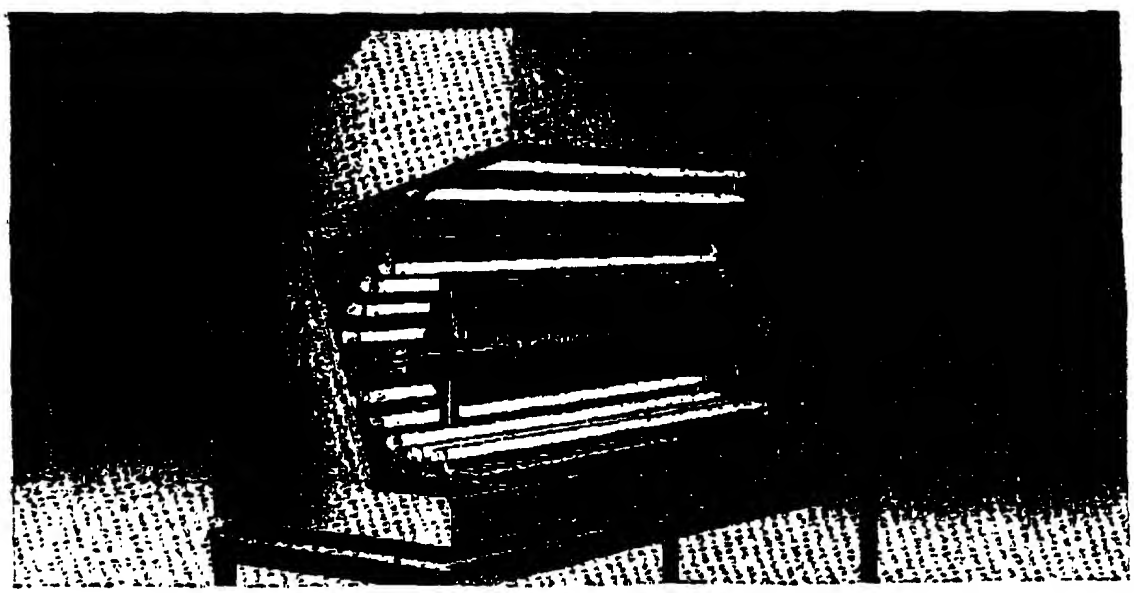
The plus points in the handling ...

- Good accessibility because the exposing cylinder can be pulled out on rails.
- Exposing cylinders are available in different diameters and widths for exchange as necessary.
- Quick plate mounting with register bar*: plate and film can be mounted outside the unit.
- Easy-to-use wraparound vacuum film

... and in the technical equipment of the new RB 270 L round exposing unit

- Quick build-up of vacuum permits exposing at short intervals.
- Short exposure time due to high-output UV tubes with reflectors.
- Constant temperature due to intensive cooling of the UV tubes.
- Simple tube function check.
- Electronic timer.
- Table-top-unit supporting frame or legs available as extra accessories.
- The design conforms to German and European safety regulations.

* Requiring the use of a conventional register punch.



Printing plates

BASF

Print Plate x
H- Mulligan 616-392-23

W013357

RB 270 L Round exposing unit for coating plates

Maximum effective size*	820 x 1,400 mm ca 2'8¼" x 4'7¼"	
Weight of cylinder:	ca 185 kg gross, ca 100 kg net ca 410 lbs. gross, ca 220 lbs. net	
Weight of exposing unit:	ca 415 kg gross, ca 245 kg net ca 915 lbs. gross, ca 540 lbs. net	
Unit dimensions: L x H x D	2,020 x 900 x 820 mm ca 6'7½" x 2'11¼" x 2'8¼"	The round exposing unit is designed for exposure cylinders maximally 270 mm (105/8") diameter. We can inform you about smaller dimensions on request.
Crate for unit: L x H x D	2,180 x 1,080 x 1,100 mm ca 7'2" x 3'6½" x 3'7½"	
Crate for cylinder: L x H x D	2,080 x 580 x 660 mm ca 6'10" x 1'11" x 2'2"	
Power:	230 V, 50 Hz, 16 A, 2.5 kW (3.4 hp)	
Tubes:	20 of type Philips TL 80 W/10 R (150 cm/59¼")	

* valid for diameters of 270 mm or 10⅝"

Cylinder From H.O.
Exposure Processor
Developing sink
cutters

BFE 503 01.94

Printing Plates

BASF Lacke+Farben AG
Sieglestraße 25
70469 Stuttgart-Feuerbach
Germany
Telefon (07 11) 98 16-0
Telefax (07 11) 98 16-801
Telex 7252160

BASF

W013358

The range of coating plates from BASF

Plate type	nyloflex		nyloprint						nyloprint
	FAH 116 L	LC/LW 116	A 78	S 78 S	S 68	WA I 78	WS I 78 S	WS I 68	WSA 68
Thickness (mm/")	1.16/0.046	1.16/0.046	0.73/0.029	0.73/0.029	0.58/0.023	0.78/0.029	0.73/0.029	0.58/0.023	0.58/0.090
Hardness (finished)	Shore A = 70	Shore A = 75	-	-	-	-	-	-	-
Hardness (DIN)	Shore A = 60	Shore A = 56	-	-	-	-	-	-	-
Base (mm/")	Polyester 0.25/0.010	Polyester 0.25/0.010	Aluminum 0.80/0.012	Steel 0.24/0.009	Steel 0.24/0.009	Aluminum 0.30/0.010	Steel 0.24/0.009	Steel 0.24/0.009	Steel 0.80/0.012
Relief depth (mm/")	0.91/0.036	0.91/0.036	0.4/0.016	0.48/0.019	0.33/0.013	0.4/0.016	0.48/0.019	0.33/0.013	max. 45–65 µm in 70 lpcm (180dpi) screen
Gloss	up to 1,950/1,470 (c. 49/38°)	up to 1,950/1,470 (c. 49/38°)	max. VI	max. 8-9	max. V	max. VI	max. V	max. V	
Suitable coatings and inks	Aqueous coatings UV coatings (after washing)	Aqueous coatings UV coatings	Varnishes UV coatings						• Coatings and inks on basis of alcohol and ethyl acetate • No coating on water base
Plate making: • Exposure	Round exposure or flat exposure with shortened film								Round exposure or flat exposure with point light
			Step or resist possible						
• CAD/CAM		Coating via plotter + stripping (LC only)							
• Washout	Wash-out systems with nyloclear® II or solvents common in trade	Aqueous wash-out medium in brush- or friction-type washers (LW only)	Alcohol washers			Water washer			Continuous-flow friction washer (water-washable)
Advantages	• Very good, uniform coating transfer • Very good edge sharpness • 20–30% higher coating quantity than by indirect printing • Reproduction of finest details (thick coatings with LC: 4 mm (0.157") max. dot diameter • High accuracy of register (dimensional stability)		Thicker coating than with offset plates, high gloss, less waste with varnishes or UV coatings, because no dampening solution used. Long run life, especially when using alcohol-washable plate.						• Fast, flexible and economical plate-making; therefore suitable also for short runs • Environment-compatible processing • Variable cell depth and, therefore, controllable coating transfer
		No ink build-up on plate Resistant to normal wash-up solutions Suitable for use with aqueous and UV coatings 2 alternatives in platemaking: a) Conventionally with film and water washout b) CAD/CAM processing – no film, no wash-out, therefore no processing equipment required							
Special features									Even cell depths of more than 50 µm achievable, meaning higher coating transfer than by other processes

BASF Lacke+Farben AG
Siegiestraße 25
70469 Stuttgart-Feuerbach
Germany
Telefon (07 11) 98 16-0
Telefax (07 11) 98 16-801
Telex 725 2160

BASF

Printing Plates

E

HEIDELBERG
USA

Southwest Region

Heidelberg USA, Inc.
1301 Royal Lane
Suite 1012
Dallas TX 75229
Phone 214-506-7000, Fax 214-506-0476

October 17, 1994

Jerry Williamson
Jesse Williamson
Williamson Printing Corporation

Dear Jerry and Jesse:

On Friday, October 14, after our picture taking ceremony, questions were raised regarding the future installation of 8 color presses and the LYL double coater machine. As of today October 17, we have been in contact with the factory and enclosed are answers and the possible solutions to your concerns.

1. Delivery of the 102 S LYL (double coater) barring no production problems has been moved up in the schedule to leave the factory the end of December, for delivery to Williamson's floor in January.

2. A demonstration will be scheduled at Interglobe, Inc. in Montreal, Canada along with a company, Olympic Packaging in Madison, Wisconsin, to witness spot coating with register requirements. Dates to be determined as soon as possible.

3. Delivery of an 8 color Drupa or pre-Drupa machine. Dates are as follows: Pre-Drupa, one machine delivery early January. Drupa machines as of today are exfactory, May or June and every month that goes by pushes it back in the schedule. I urge you to make a commitment, subject to your inspection.

4. A private and confidential presentation of Drupa Technology to Williamson is set for the week of 12/10/94 in Heidelberg. Times and visits are already in place.

5. Companies that have experience in making relief plates for spot coating:

Alabama Engraving
David Kaetz
1-800-524-2135

Chicago Litho Plate
Joe Yazzo
708/858-8900
Please note: Vast experience with Heidelberg Speedmasters.

6. Heidelberg Factory uses the round exposure BASF unit for demonstration purposes for printers around the world and cannot be without this unit.

HEIDELBERG
USA

Williamson Printing Corporation
October 17, 1994

7. You had indicated the six to eight week delivery from BASF on developing equipment for the making of coating plates, for spot coating, was not acceptable. We can assure you, if an order is placed with BASF, Heidelberg will use as much clout as possible to speed up this delivery time. Williamson must place the order as soon as possible, before we can put pressure on BASF.

8. Contacts for Interglobe, Inc. and Olympic Packaging.

Interglobe	Olympic Packaging
Roger Belair	Gary Adrian
Montreal, Canada	Madison, Wisconsin
514/328-7070	608/246-1133

Gentlemen, our companies have worked hard toward establishing a partnership beneficial to each. Please know we need to communicate whenever there are concerns and we can assure you both that a professional response will always be available.

Best Regards,

Bob Boyer

Bob Boyer

cc: Hans Peetz-Larsen
Wolf Hager
Ian Lyons
John Dowey
Bill Davis, Williamson
Woody Dixon, Williamson
Bob Emerick, Williamson

W013362

HEIDELBERG
USA

October 21, 1994

Southwest Region

Heidelberg USA Inc
1801 Royal Lane
Suite 1012
Dallas, TX 75229
Phone 214-506-7000, Fax 214-506-0476

Mr. Jerry Williamson
Mr. Jesse Williamson
Williamson Printing Corporation
6700 Denton Drive
Dallas, TX 75235

Re: Demonstration of Double Tower

Date of Demonstration: Thursday, November 3, 1994, at 9:00 a.m.

Location: Montreal Canada at a company called Interglobe, their address is as follows.

Interglobe
4475 Blvd. des Grandes Praires
St. Leonard, Quebec
514/328-7070
Roger Belair, Director
Contact: Carole Jalbert

We have secured this date and would appreciate it if you would get the film, paper specification and coating requirements to Mike Morgan at your earliest convenience.

Please let Mike know, as soon as possible, the number of people from Williamson who will be attending; so we can coordinate flight and hotel reservations.

Bob Boyer
Regional Manager

BB/bw

cc: Bill Davis
Bob Emerick
Jim Johnson

HEIDELBERG

Southwest Region

Heidelberg USA Inc
1801 Royal Lane
Suite 1012
Dallas TX 75229
Phone 214 506 7300
Fax 214 506 0478

FLIGHT
ITINERARY FOR
WILLIAMSON DEMO IN MONTREAL
WEEK OF 11-02-94
ATTENDANTS

Jerry Williamson

November 02	1:30 p.m. depart DFW - American flight #2350 Arrive Chicago/Ohare 3:44 p.m., Wed. November 02
November 02	4:40 p.m. depart Chicago/Ohare - American flight #1200 Arrive Montreal/Dorvl 7:41 p.m.
November 03	4:15 p.m. depart Montreal/Dorvl - American flight # 452 Arrive Chicago/Ohare 5:35 p.m. Thur. November 3rd
November 03	6:00 p.m. depart Chicago/Ohare - American flight # 2249 Arrive Dallas/FT. Worth 8:30 p.m.
November 02 Hotel Information	Delta Montreal 475 President Kennedy Ave Montreal Quebec H3A IJ7 514-286-1986 Confirmation # 139904 01 nt/s

Jesse Williamson

November 02	1:14 p.m. depart DFW - Delta flight #1214 Arrive Cincinnati 5:21 p.m., Wednesday November 2nd
November 02	6:26 p.m. depart Cincinnati - Delta flight #3749 Arrive Montreal/Dorvl 8:40 p.m.
November 03	5:05 p.m. depart Montreal/Dorvl - Delta flight #333 Arrive Dallas/FT. Worth 10:09 p.m Thurs. November 3rd
November 02 Hotel information	Delta Montreal 475 President Kennedy Ave Montreal Quebec H3A IJ7 514-286-1986 Confirmation # 102051 01 nt/s

W013364

HEIDELBERG

Bill Davis

November 02	1:14 p.m. depart DFW - Delta flight #1214 Arrive Cincinnati 5.21 p.m., Wednesday November 2nd
November 02	6:26 p.m. depart Cincinnati - Delta flight #3749 Arrive Montreal/Dorvl 8:40 p.m.
November 03	5:05 p.m. depart Montreal/Dorvl - Delta flight #333 Arrive Dallas/FT. Worth 10:09 p.m. Thurs. November 3rd
November 02 Hotel Information	Delta Montreal 475 President Kennedy Ave Montreal Quebec H3A IJ7 514-286-1986 Confirmation # 102051 01 nt/s

Jim Johnson

November 02	1:30 p.m. depart DFW - American flight #2350 Arrive Chicago/Ohare 3:44 p.m., Wednesday November 2nd
November 02	4:40 p.m. depart Chicago/Ohare - American flight #1200 Arrive Montreal/Dorvl 7:41 p.m.
November 03	4:15 p.m. depart Montreal/Dorvl - American flight #452 Arrive Chicago/Ohare 5:35 p.m., Thurs. November 3rd
November 03	6:00 p.m. depart Chicago/Ohare - American flight #2249 Arrive Dallas/FT. Worth 8:30 p.m.
November 02 Hotel Information	Delta Montreal 475 President Kennedy Ave Montreal Quebec H3A IJ7 514-286-1986 Confirmation # 103048 01 nt/s

Date of Demonstration: Thursday, November 3, 1994, at 9:00 a.m.
Interglobe
4475 Blvd. Des Grandes Prairies
St. Leonard, Quebec # 514-328-7070
Roger Belair, Director
Contact: Carole Jalbert

W013365

F

HEIDELBERG

October 26, 1994

Press Marketing

Heidelberg USA, Inc.

1000 Gutenberg Drive
Kennesaw, GA 30144
Phone 404 419 6500
Fax 404 419 6625

Telefax to: Jerry Williamson, CEO
Jesse Williamson, President
Williamson Printing Co.

From: John Dowey

Subject: *Pre DRUPA Double Coater Press*

Dear Jerry and Jesse:

Mr. Bob Boyer brought your request for the Heidelberg factory to possibly have the DRUPA innovations of running register on the coating units and automatic register in-line, fitted to your Speedmaster CD102S+LYL. This machine is presently under construction and we hope that it will leave the factory in late December.

We regret to inform you that these features cannot be adapted to the present design due to several mechanical and electronic changes, which Mr. Boyer confidantially briefed you on. These options are only available on the DRUPA design machine which would be available in during the third quarter of 1995. They cannot be retrofitted to the existing design.

We confirm that it is now possible to retrofit the coating clamps that allow manual register adjustments and precise mounting of spot coating plates. Thus these could be fitted to the coating units of your existing presses, as well as the December pre-DRUPA CD102S+LYL

We look forward to meeting with you here in Heidelberg during the week of December 10 to demonstrate the chambered doctor blade system for coating, and give you a private showing of the DRUPA design at the factory as well as a customer installation here in Germany.

Regards,

[illegible]

John Dowey
Marketing Director/Speedmaster

cc: Hans Peetz-Larsen
Wolf Hager
Mike Morgan
Scott Brown
Reginald Rettig, HDM/Germany

W013367

G

HEIDELBERG

Southwest Region

Heidelberg USA Inc
1801 Royal Lane
Suite 1012
Dallas, TX 75229
Phone 214 506 7000
Fax 214 506 0476

November 8, 1994

Jerry and Jesse Williamson
Williamson Printing Corporation
6700 Denton Drive
Dallas, Texas 75235

Dear Jerry and Jesse,

Pursuant to our conversations regarding the special plate clamps for our coating tower that facilitate the use of Cyrel or other flexo type plates to be mounted and registered, and the Chambered Doctor System for the coating tower, please note the attached information from our Factory.

I highly recommend that you place an order immediately for the special plate clamps so as to expedite factory shipment and installation on your Seven Color press for evaluation.

It is also my recommendation that in conjunction with our trip to Germany on December 10, 1994 to evaluate the Drupa CD Technology, we arrange a demonstration of the Chambered Doctor System. Upon your review and evaluation we can then proceed with your order for the system with the noted approximate delivery and installation times.

As always, it is a pleasure to work with you and your fine group of associates. I look forward to our trip to Germany and to continuing to build and strengthen our partnership.

Sincerely,

Bob Boyer
Regional Manager
Heidelberg USA, Inc.

cc: Bill Davis
Bob Emenck
Jim Johnson

W013369

HEIDELBERG

November 7, 1994

Corporate

Heidelberg USA, Inc.
1000 Gutenberg Drive
Kennesaw GA 30144
Phone 404 419 6500
Fax 404 419 6912

Fax to: Bob Boyer
Fax: 708-390-6914

From: John Dowey
Phone: 404-419-6628
Fax: 404-419-6608

Subject: **Williamson CD102S+L SN 538 723**

Dear Bob:

We have checked on price and availability of the special coating unit clamps and chambered doctor blade system.

1) Special clamps which allow CYREL or other flexo-type plates to be mounted and registered, have a delivery time of 6-8 weeks X-factory. We are in communication with the factory and will try to improve upon this.

   Installed price - $9,700 per coating unit

2) The chambered doctor system availability is roughly the same as the coating clamps. Again, we will try to improve the situation.

   Installed price - $67,500

Please let me know how you wish to proceed with this very important customer.

Regards,

John Dowey

cc: Kurt Vogt

H

IMPORTANT TOD

WEEK 3

9
9
5

JANUARY 17
TUESDAY

TIME	SCHEDULE	ACTION LIST	A BC ✓
7 AM	CHECK ✓ MEMO-RY*	GERMANY	
8		BILL SHLYER 352-1122	
		TOM MCARTNEY 604-0496	
9			
10			
11			
12 NOON			
1			
2			
3			
4			
5			
6 EVE'G			
7			
8			

SUMMARY REVIEW DAY MONEY

TOTAL

CHECK TOMORROW

ORDER No 061 25Y 95

18 JANUARY
WEDNESDAY

1 9 9 5

IMPORTANT TODAY

WEEK 3

TIME | SCHEDULE | ACTION LIST

CHECK ✓ MEMO-RY

7 AM Germany

8

9

10

11

12 NOON

1

2

3

4

5

6 EVE'G

7

8

SUMMARY REVIEW DAY

MONEY

TOTAL

CHECK TOMORROW

IMPORTANT TODAY

WEEK :

9
9
5

JANUARY 19
THURSDAY

TIME	SCHEDULE	ACTION LIST	A B C ✓
	CHECK ✓ MEMO-BY'		
7 AM		GERMANY	
8		JESSIE'S BIRTHDAY FRIDAY!	
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6 EVE'G			
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8			

SUMMARY REVIEW DAY MONEY

TOTAL

CHECK TOMORROW

ORDER No. 061 125Y 95

W013374

20 JANUARY
FRIDAY

1995

IMPORTANT TODAY

WEEK 3

TIME	SCHEDULE	ACTION LIST	BC ✓
7 AM	CHECK ✓ MEMO-RY*		
	GERMANY		
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12 NOON			
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SUMMARY REVIEW DAY MONEY

TOTAL

CHECK TOMORROW

IMPORTANT TODAY

. EEK 3

9
9
5

JAN JARY 21
SATURDAY

TIME ⬇ SCHEDULE	ACTION LIST	A BC ✓
	CHECK ✓ MEMO-BY*	
7 AM	GERMANY	
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10		
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12 NOON		
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4		
5		
6 EVE'G		
7		
8		

SUMMARY REVIEW DAY — MONEY

TOTAL

CHECK TOMORROW

ORDER No 361 125Y 95

W013376

22 JANUARY
SUNDAY

1995

IMPORTANT TODAY

WEEK 3

TIME	SCHEDULE	ACTION LIST	A BC ✓
7 AM	Fly back		
	to Dallas		
8			
9	10:00		
10			
11			
12 NOON			
1			
2			
3			
4			
5			
6 EVE'G			
7			
8			

SUMMARY REVIEW DAY

MONEY

TOTAL

CHECK TOMORROW

W013377

PATENT
Our File: WILL 2501

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re the Reissue Application of: BILL L. DAVIS and JESSE S. WILLIAMSON	§	
For Reissue of U. S. Patent 5,630,363 Issued May 20, 1997 Serial No. 08/515,097	§	Group Art Unit: 2854
Filing Date: May 20, 1999	§	Examiner: S. Funk J. Hilten
Serial No.: 09/315,796	§	
For: COMBINED LITHOGRAPHIC/ FLEXOGRAPHIC PRINTING APPARATUS AND PROCESS	§	

RECEIVED
FEB 23 2001
TECHNOLOGY CENTER 2800

DECLARATION OF STEVE M. GARNER

TO: The Honorable Commissioner of Patents and Trademarks
Washington, D.C. 20231

SIR:

I, Steve M. Garner, declare on my oath the following:

1. "I am over twenty-one (21) years of age, have never been convicted of a felony, and am competent to make this testimony. I am Regional Sales Manager, South Central Region for Harris and Bruno (Central Office: *Roseville, California*). I reside at 209 Mill Creek Drive, Arlington, Texas 76010. My curriculum vitae is attached hereto as Exhibit A.

2. "I was employed by Printing Research, Inc. ("PRI") from about April of 1994 through March of 2000. From the time I came to work until January 1997, I was Vice President of Sales for PRI, thereafter President through January 1998, and have held various other positions at PRI from January 1998 until my departure at the end of March, 2000.

3. "During the second half of 1994, during my tenure as Vice President of Sales of PRI, John Bird reported to me as Sales Manager. It became known to me during the summer of 1994 that Williamson Printing Corporation ("WPC") was seeking to purchase a number of IR and UV dryers for its new Heidelberg presses, the first of which was scheduled to arrive in late 1994. WPC's investment in a series of offset lithographic presses represented a double

W013383

opportunity to PRI – first to sell dryers and other after-market equipment to WPC, and second, to establish ourselves with Heidelberg Drucksmachinen A.G. and its American subsidiary Heidelberg U.S.A., Inc. as a supplier of drying systems. John Bird brought to PRI some "rack-back" blanket / plate coater technology, and PRI had available for sale as of mid-1994 a linear rack-back coater for end-of-press application.

4. There came a time during the fall of 1994 that John Bird came to me indicating that WPC wanted for us to go with a flexographic rack-back device up front in one or more of the forthcoming Heidelberg presses to be installed at WPC, instead of at the end, as they had always previously been installed. Bird did not tell me who the inventors were of the process – whether they were employees of WPC or PRI employees. At this time, I don't recall being told about the WIMS process of WPC, which issued shortly thereafterwards on December 6, 1994 as U.S. Pat. 5,370,976 (Jesse Williamson and others at WPC).

5. In October of 1994, PRI ran some tests for Rexham, a packaging converter company in Charlotte, North Carolina. We printed some metallic gold inks for Rexham as samples, some of which were preprinted. These were printed using an anilox roller at the end of PRI's two-color ("2/c") press. We were testing the gold inks for borders for cigarette carton customers. We later converted their end-of-press tower coater to an anilox coater. I showed some of our solid gold work on cigarette carton stock to Jesse Williamson in October, 1994.

6. PRI started in earnest the design and fabrication of an experimental "ferris wheel" or cantilevered, interstation "long-arm" "rack-back" device in the late fall of 1994. I recall blueprints of the device starting in December of 1994, with Ron Rendleman starting to make parts for the PRI 2/c press in December. At about that time, Bill Davis, of WPC, brought some Cyrel™ (duPont) flexographic plates over to PRI, with a design stating, "Williamson Printing Corporation", wanting tests using our anilox roller end-of-press coater equipped with these Cyrel™ plates so that Bill could ascertain if the plates had satisfactory resolution and he could determine the degree of registration problems he would have with the new process – putting the flexography printing step first. At about this time (December 1994), Rendleman began a "short-arm" modification in anticipation of an installation on WPC coater tower.

7. In January of 1995, I was in Heidelberg, Germany at the Holiday Inn when Bill Davis came up to me, telling me something about some extraordinary results they had achieved at the plant of Heidelberg Drucksmachinen A.G. demonstrating a flexography step first compared to the older way that they had done it (WIMS), for some Rolex advertisements. I was encouraged by this, but would not know until March 20, 1995 when I saw some tests run at Williamson Printing Corporation how this would perform with PRI anilox coater.

8. In late February 1995, PRI installed our "short-arm" "rack-back" device on one of the coater towers, a new Heidelberg press at WPC. On or about March 20, 1995, I saw some tests run simulating the new process of WPC using the "short-arm" PRI pilot device concerning a middle-age advertisement – involving the Crusader, as I recall – using a flexographic step followed by multiple lithographic steps. Bill Davis and Jim Johnson were in control, giving directions to subordinates concerning the use of flexographic plates, flexographic inks and the negatives.

9. At no time during 1994, 1995, 1996 or 1997 did I ever hear Howard DeMoore, John Bird, Ron Rendleman, or anyone else at PRI ever indicate that the process of using a flexographic step prior to offset lithography was a PRI process or that they invented such a process, or any one of them invented such a process. After becoming aware of the Williamson's WIMS ('976) process, there was never a doubt in my mind that the process of using a flexographic step first originated at WPC. PRI did, however, after DRUPA 95 (starting May 5, 1995), demonstrate to several clients the feasibility of applying a flexographic material as a first down with the idea of overprinting litho in-line. This, of course, could only be demonstrated as multiple passes since PRI had only a 2/c press.

10. In April of 1995, after installation of the experimental pilot "short-arm" device at Williamson, PRI ordered from a local printer – Buchanan Lithographics, as I recall – some brochures concerning a proposed interstation "ferris wheel" or cantilevered "rack-back". Williamson had committed orally to us in February of 1995 to purchase at least one interstation "rack-back" which was currently in design along with the "short-arm", cantilevered device. PRI obtained, as I recall, a firm commitment to go ahead with the construction of the device in May 1995. I recall that as of the DRUPA conference at the start of May 1995, apart from the short-

arm device made for WPC, all we had was our brochures, a few parts made by Rendleman for the "long-arm" device for the forthcoming PRI interstation press to be installed at WPC and some blueprints. By late August 1995, we had something ready to sell to Williamson in the form of an interstation unit. The normal gestation time to make such a device would be 90-110 days. I do not recall seeing anything in writing or otherwise at PRI concerning the "long-arm" proposed interstation device prior to December 1994, -- no invention records, no memoranda, no notebooks, no emails, no designs, no blueprints, no advertisements and no parts. Again, prior to DRUPA 95 (May 5, 1995), all we had was Williamson's commitment to go forward with the interstation design and the "short-arm", end-of-press device installed at WPC. To the best of my knowledge, the first time the process taught by Davis-Williamson (U.S. Pat. 5,630,363) was ever actually reduced to practice in this country was performed by Williamson Printing Corporation at their facility in Dallas shortly after the installation of our first "long-arm" device in late August or early September, 1995. Prior to that time, the process had only, to the best of my knowledge, been simulated (multiple passes with the flexography step first) by Williamson Printing Corporation in this country in March 1995 (the Brian Liester "Crusaders" poster) and perhaps in Germany in January 1995, but not by PRI because of the limitations of our 2/c press unit.

11. The Buchanan printed brochures in late April 1995 for DRUPA were very memorable. They were not printed using a flexography step first. They were printed to be available for distribution at the DRUPA Show in Germany scheduled to start May 5, 1995. PRI filed its patent application directed to a ferris wheel/cantilevered device on May 4, 1995, to protect the company's patent rights. At the DRUPA Show in Germany, I recall we had a non-working model of the proposed "ferris wheel" or cantilevered, "long-armed" device on the first unit of a mock-up 2/c press.

12. During late 1998, I became involved with a potential sale of a cantilevered "long-armed" device to Hallmark Company. Hallmark knew about the WIMS patent, U.S. Pat. 5,370,976. Hallmark's attorneys found U.S. Pat. 5,630,363 to Davis and Williamson and brought it to PRI's attention. I am not aware of any attempt on the part of Hallmark or PRI to approach Williamson to purchase a license to the '363 patent for Hallmark to use the '363 process. Howard DeMoore, who owns PRI and is in control of PRI, made a decision not to pay

WPC for a license on the grounds, as I understood at the time, that he had been involved in 1994 through 1995 in the design of the cantilevered "rack-back" device to be used in that process -- in DeMoore's words, he "enabled" them to use the process --, and on that basis, he reasoned he should not have to pay WPC any money.

The undersigned Declarant stated further that all statements made herein of Declarant's own knowledge are true, and that all statements made on information and belief are believed to be true; and further that these statements were made with the knowledge that willful false statements and the like so made are punishable by fine or imprisonment, or both, under Section 1001 of Title 18 of the United States Code.

Steve M Garner

Steve M. Garner

April 6, 2000

Date:

STEVE MART GARNER

209 Mill Creek Drive
Arlington, Texas 76010
(817) 265-8375

EDUCATION: UNIVERSITY OF TEXAS AT ARLINGTON
B.S., Mechanical Engineering (Minor: Chemistry)

MILITARY: U.S. COAST GUARD (Enlisted), Honorable Discharge

BUSINESS EXPERIENCE:

1994 – Present **PRINTING RESEARCH, INC., Dallas TX**

$12,000,000 company producing custom designed accelerated drying systems, i.e., infrared, ultraviolet, forced hot air, for the printing and converting industry. Company's original product was an innovative anti-marking system (Super Blue) still utilized on many sheet fed litho presses

'98 – Pres. **Sales Director – OEM Accounts**
Promote sale of capital equipment to the commercial sheet fed and flexo corrugated printer manufacturers. Obtain vendor certification for companies' products with major OEM accounts

'97 – '98 **President, COO**
Assumed President position – duties remained same.

'96 – '97 **Executive Vice President, Operations**
Assumed overall operational responsibilities with the objective of developing the organization infrastructure to support the growing capital product line. This involved physical plant expansion and technical staffing for engineering, manufacturing and R & D. Continued to oversee the company's marketing programs.

'94 – '96 **Vice President, Sales & Marketing**
Directed the efforts of the domestic (US and Canada) direct sales group consisting of National Sales Manager, Product Manager, and five regional sales personnel during the expansion of the product line to include capital equipment sales. Responsible for coordinating the activities of the international dealer network in the continuing marketing of the original Super Blue product and the introduction of a new generation product improvement to major OEM's. Oversaw the advertising and trade show activities.

1990 – 1994 **SUN GRAPHIC TECHNOLOGIES, Fort Worth TX**
U.S. Subsidiary corporation for a Japanese publishing organization. Established in 1990 with the primary objectives of developing, designing and marketing new technology specifically for the Graphic Art Industry.

Vice President
Responsibilities included directing efforts of 10 engineers and technicians in the development and testing of new products for the improvement of printing quality with decreased environmental impact. Developed marketing programs for the sale and distribution of proven products into the domestic and international marketplace. Three patents issued for temperature control systems for offset printing presses.

1986 – 1990 **EPIC PRODUCTS CORPORATION, Dallas TX**
$8,000,000 company involved in the design, manufacture and marketing of custom designed equipment for the printing and converting market.

END

Vice Presi[illegible] – Sales & Marketing
Duties invo[illegible] the direct sale of all products in the U.S. as [illegible] as overseeing and coordinating activities of international dealers in both Japan and Europe. Clients were printing and publishing companies as well as OEM accounts. Sales revenues increased an average of 20% per year during tenure.

1986 **CONSOLIDATED ENGRAVERS CORPORATION, Charlotte NC**
$25,000,000 company serving the converting, packaging and textile industries in the production of engraved cylinders for printing, coating and embossing.

General Manager, Southwest Plant, Lancaster TX
Responsibilities included regional sales activity and plant production. Facility staffed 25 personnel involved in engraving, manufacturing and electroplating of anilox rollers used in the converting industry. Clients included major packaging operations in the corrugated, paperboard, film and foil industries.

1973 – 1985 **DAHLGREN INTERNATIONAL, Dallas TX**
$25,000,000 company manufacturing custom designed equipment for printing and paper converting industry.

'84 – '85 **General Manager – Europe**
Responsible for the parent company's European operations, which included a sales-service office in Brussels, Belgium and a manufacturing subsidiary in Augsburg, West Germany. The markets served by this operation included printing and publishing companies as well as the major OEMs producing equipment for worldwide distribution.

'82 – '84 **Vice-President – Product Development**
Responsibilities included management of all engineering groups, i.e., design engineering, production engineering and manufacturing engineering. In addition, coordinated activities related to the evaluation, design and testing of new products.

'78 – '82 **Vice-President – Sales**
Responsible for company total sales activities, which included five domestic regional sales managers, OEM sales, converting equipment sales, sales-service offices in Europe and Japan. Participated in the development and implementation of marketing plans for all company products, including budgets, projections, forecasts, dealer training, advertising and trade show participation.

'73 – '78 **International Marketing Manager**
Coordinated sales and marketing activities for company's European Branch office in Brussels, Belgium. In 1975, assumed full managerial responsibility for office, including P & L, Technical Support Staff, and Sales/Marketing expansion. Set up Dealer/Distribution Program in major European countries. During this time, the European branch grew to produce from less than 10% to over 50% of company's total revenue.

END

PATENT
Our File: WILL 2501

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re the Reissue Application of:	§	
BILL L. DAVIS and JESSE S. WILLIAMSON	§	
	§	
For Reissue of U S Patent 5,630,363	§	Group Art Unit 2854
Issued May 20, 1997	§	
Serial No. 08/515,097	§	
	§	
Filing Date: May 20, 1999	§	Examiner: S Funk
	§	J. Hilten
	§	
Serial No 09/315,796	§	
	§	
For **COMBINED LITHOGRAPHIC/**	§	
FLEXOGRAPHIC PRINTING	§	
APPARATUS AND PROCESS	§	

JOINT DECLARATION (1) UNDER 37 C.F.R. §1.131 and (2) PERTAINING TO DERIVATION BY DeMOORE AND PRINTING RESEARCH, INC. OF REISSUE APPLICANTS' INVENTION

TO The Honorable Commissioner of Patents and Trademarks
Washington, D C 20231

SIR

The undersigned reissue applicants, (1) Bill L Davis, residing at 1126 Tipton Road, Irving, Texas 75060; and (2) Jesse S Williamson, residing at 5728 Caruth, Dallas, Texas 75298, and both being United States citizens, declare that.

1 We are the same joint declarants of a REISSUE DECLARATION executed on or about May 20, 1999, and of a SUPPLEMENTAL REISSUE DECLARATION executed March 9, 2000, and wish again to reaffirm our affirmation that we believe ourselves to be the original, first and joint inventors of the invention described and claimed, and of the invention and discovery described, in United States Patent No 4,630,363, for which we seek reissue. We also executed a Joint Declaration Under 37 C.F.R. §1.57(b) on May 20, 1999 ("the Rule 57 declaration")

2 We have reviewed the Office Action dated February 8, 2000, mailed February 9,2000 and note the Examiner's rejection of Claims 1-6, 9-20, 22-25 and 28-38 (Office Action at page 7) allegedly as anticipated under 35 U S C §102(e) in view of DeMoore et al . U S Patent No 5,960,713 and of Claims 7-8 21, 26, 27 and 39-87 (Office Action page 8) under 35 U S C §103(a) as allegedly obvious over the same DeMoore et al. We filed an Amendment under 37 C F R. §1 111 on April 7, 2000 and wish again to note our beliefs as we stated in said Amendment that DeMoore et al's '713 patent is one of three issued U S patents all based on a common specification filed October 2, 1995 and that DeMoore's specification Serial No 08/435,798 is radically different, having different description of the invention and different

figures than the '713 patent, so that DeMoore et al. cannot be entitled to the May 4, 1995 filing date of Serial No 08/435,798 We believe any fair examination of Serial No. 08/435,798 by one of ordinary skill in the art will lead said artisan to the conclusion that Serial No. 08/435,798 does not describe nor provide an enabling teaching of any of the claims of the '713 patent and therefore cannot place the artisan in possession of the ' 713 claimed invention. The '713 patent is a semi-permanent conversion of an offset lithographic printing press for flexographic production. This non-retractable unit applies coating to a flexographic plate mounted on either the plate or blanket cylinder of an offset lithographic printing press for direct or indirect (offset) flexography. The '713 patent does not use a cantilevered device as shown in Serial 08/435,798 or any other retractable mechanism and, in fact, teaches away from Serial 08/435,798 We also wish to note REISSUE APPLICANTS' MEMORANDUM CONCERNING THE PRIOR ART AND THEIR POSITION ON PATENTABILITY (the "MEMORANDUM") and the attached declarations thereto of Baker, Bird (two declarations), Brown and Garner.

3 As corroborated by the Declaration (attached to the MEMORANDUM) of former PRI salesman Steve Baker, executed November 3, 1999 and paragraphs 5-8 thereof, we met with Steve Baker at an Atlanta restaurant (Morton's Steakhouse) in the late evening on a Sunday in late July, 1994 and disclosed to him the broad aspects of our invention to-wit, that Williamson Printing Corporation's ("WPC's") proprietary "WIMS" process (now U.S. pat. 5,370,976) could be improved by employing flexography at a printing station we designated as "upstream" of one or more printing stations of an offset lithographic press that we would receive from Heidelberger Drucksmaschinen A.G. ("Heidelberger").

4 In fact, we had first conceived of this process upon the return of Jesse Williamson to the United States from Germany in late May, 1992 The conception was inspired -- at least in part -- by Jesse Williamson's observation of printing with an anilox roller at the coating tower at the plant of M.A.N. - Roland in Offenbach, Germany in late May 1992. In later '92 or early '93, WPC undertook a lengthy study to determine what presses WPC would purchase to replace its existing outdated presses. Until this study was completed and new presses were installed, it was not practical to reduce to practice our '363 process. As of the time of the restaurant meeting with Baker, we had then just returned from Germany and had already reached an oral agreement that WPC would purchase a number of offset lithographic presses from Heidelberger's United States subsidiary, Heidelberg U.S.A. ("Heidelberg")

5 As of the time of the July 1994 meeting, WPC, reissue applicants' assignee had settled a law suit with Steve Baker's then employer, Printing Research Corporation ("PRI") Part of the settlement involved an obligation on the part of WPC to buy an agreed dollar amount of equipment and/or supplies from PRI WPC had committed in early August 1994 to purchase dryer equipment from PRI for a line of Heidelberger printing presses to be installed at WPC starting in late 1994 running well into 1995 In fact, as part of the Atlanta trip, of the undersigned, Jesse Williamson was shown by Steve Baker a PRI-constructed HV interstation

drier at a local carton printer manufacturer in the Atlanta area. The undersigned reissue applicants also disclosed to Steve Baker WPC's proprietary "WIMS" process – later to become U S Pat 5,370,976 – concerning the printing of metallic inks. We informed Steve Baker that a patent application was pending concerning the "WIMS" process. We showed Steve Baker some Rolex watch advertisements that were part of some jewelry catalogues that were printed by the WIMS '976 process. Jesse Williamson picked up the bill for dinner, even though Steve Baker was the salesman trying to sell WPC equipment.

6 We told Steve Baker at the Atlanta restaurant that we had conceived an invention to improve the WIMS process to make the metallic inks printed appear even more brilliant As stated above, we told Steve Baker that we wanted to use flexography at a printing station we designated "upstream" — perhaps even the first station --- of one or more printing stations of an offset lithographic press that WPC would receive from Heidelberg. We mentioned several ways in which this could be done --- by a dedicated flexographic station which would replace an existing lithographic station, by a bolt-on manually added (like a "T-head", modified) device that would be used on a run-by-run basis, or a retractable or "rack-back" mechanism sold in the trade, which would have to be modified for "upstream" use We mentioned that with respect to the rack-back option, that we would have like a retractable mechanism with an anilox roller and a chambered doctor. We would employ state-of-the-art flexographic plates. We mentioned that we had seen the use of some of these flexographic plates in Germany in late May 1992 and again in July 1994 and that a number of companies sold high-resolution plates which would work in our new process. We asked Steve Baker whether or not PRI was interested in supplying these types of rack-back or retractable devices Steve Baker told us that PRI had available for modification an end-of-press rack-back, not dissimilar to (a) Dahlgren International's end-of-press device currently sold and (b) other devices which were sold by PRI's competitors. We were told PRI's rack-back was developed by PRI employee, John Bird, when John Bird was employed previously at another company in the eastern part of the United States. We had seen rack-back literature as of 1994 from a number of companies, including Dahlgren, Oxy-Dry, IBC, Rapidac, IVT, Epic, and PRI Dahlgren had sold rack-backs for many years with anilox rollers, and on request, supplied a chambered doctor to units ordered. Any one of a number of rack-back vendors could have easily altered their end-of-press rack backs to make same an interstation device as of 1994

7 We indicated to Steve Baker that we wanted to run some tests at Printing Research using the retractable equipment which might be modified for interstation use These tests – conducted for WPC occurred later in 1994, specifically in October and December, as we recall The tests concerned spot coating of selected images, including the application of metallics (our specialty in view of WIMS '976), opaque colors and encapsulated essences, as well as the evaluation of the resolution of flexographic plates From approximately August to early October 1994, we investigated several flexographic plate manufacturers (DuPont, BASF and W R Grace

(Polyfibron)) that supplied WPC with the flexographic plate technology used in the October and December 1994 tests at PRI The plates were made at Chicago Lithoplate and Wilson Engraving using raw plate materials supplied by the manufacturers and negatives supplied by WPC For these tests at PRI, we supplied the substrates, the flexographic plates, the subject matter for the plates (selected films from pervious jobs), and the flexographic inks and coatings The tests were conducted at PRI at Bill Davis' direction. The December 1994 tests continued the October tests, and were also under Bill Davis' direction We had much earlier, in our July 1994 trip to Germany, begun our investigation of the manufacture of flexographic printing plates, which included, in due course, discussions with the foregoing plate manufacturers.

8 In a series of meetings and conferences, which started on or about August 18, 1994, we conveyed to John Bird details of the '363 process we wanted implemented by a modified "rack-back" device to go "upstream", together with these tests we wanted run in the fall of 1994 using the 2-color press at PRI. Specifically, among other things, we disclosed to Bird (a) the resolution requirements for flexographic plates for our process, (b) requirements for anilox rollers, including line screening count ranges and minimums, and the availability of anilox rollers having desired features, (c) the WIMS '976 process (now U.S. Patent 5,370,976), (d) the problems with the printing of metallic/whites/opaques/encapsulated essences/and various other coatings with WIMS '976, (e) our desire that the flexographic plates be mounted to the blanket cylinder, (f) our uses of and requirements for flexographic inks and coatings, (g) half-tone printing, and (h) drying requirements for the new process These matters were discussed in various meetings with Bird starting in August 1994 and proceeding through very late1994 into early 1995 We notice in a review of the application filed as Serial No. 08/435,798 and its European equivalent EP 741,025 (A2) that the process aspects of this application filed in the name of three PRI employees, including Bird, discloses process features we told Baker and Bird from July 1994 through the end of 1994 We do not believe that any of the important process aspects taught in the PRI application pertaining to the '363 claimed invention originated with any one other than the undersigned, through Bird and Baker PRI derived the process aspects of their May 4, 1995 priority patent application from us.

9 As stated, Bill Davis conducted and supervised the fall 1994 tests at PRI using flexographic plates, inks and coatings supplied by WPC. WPC did not enter into a formal written understanding committing PRI to build for us any rack-back devices of any type prior to February, 1995, after we returned from Germany in January 1995, where we successfully simulated the '363 process, although we told PRI and Baker (and later Bird) from July 1994 forward that PRI would be in the running for the business if PRI made such an interstation device

10 We were never told at any time prior to early 1999 by anyone at PRI that anyone at PRI thought some PRI employee had conceived the '363 process We clearly came up with the process, as is corroborated by the Baker and Bird declarations. We even informed WPC's

Chairman. Jerry Williamson. of some of the prospective advantages of the process. Note the internal memorandum of November 18. 1994. paragraph no. 6 on page one, the first document of group **Exhibit A**. and a later memorandum dated December 16, 1994, item two.

11 Starting in the late summer of 1994, we had a parallel track we were pursuing concerning the development of our invention as we did not know whether PRI would perform, wanted to perform. or would be price competitive with a modified rack-back We had disclosed the invention to Heidelberg U S.A.'s salesman Scott Brown no later than August 5, 1994 – flexography being performed first followed by offset lithography, all in one pass. We explained, as we had done to Steve Baker, the various options of having this done, e.g., a dedicated station, a mounted unit, or an auxiliary retractable unit. We explained to Scott Brown that we wanted a simulation of the invention (flexography printed first followed by lithography in a second pass), and Heidelberger originally scheduled the simulations the week of December 10, 1994. See **Exhibits B** and **C** Because of the holidays. this simulation was rescheduled for January 20-21, 1995 The tests were carefully planned. **(Exhibit J)** BASF supplied the flexographic plate making equipment for our tests in Germany, even sent WPC a proposal in the first part of October, 1994. **(Exhibit D)**

12 On January 20-21, 1995 the first simulated reductions took place in Germany. The day-long tests on January 20, 1995 involved comparisons of the results of the new WIMS improved process (or "WIMS II") over the old process and involved rerunning some established WPC advertisements made for Rolex, some art work involving a 1957 Chevrolet bumper grill, an apple of some configuration, a memorable portion of an automobile brochure comprising a silver Lexus driving on a wet cobblestone road (having a shimmery look with a gold reflection off of puddles on the cobblestone), and finally some test-type patterns, to be run through the press. first with one or more flexography runs using an anilox roller and the BASF flexographic plates obtained for us at our request from Scott Brown of Heidelberg U.S.A., and followed up by offset lithography With respect to the Lexus brochure portion, the multiple hues of the gold and silver metallic. blended with the natural wet cobblestones, were most impressive The tests took all day from early in the morning until well after dark. and continued the next day. We directed the work of the German Heidelberger Drucksmaschinen A.G. technicians. There was unusual brilliance for the metallic inks involved. and without distortion. Several hundred impressions were printed. and sent through the presses in multiple passes. with the flexography step being done first. as the anilox roller existed end-of-press on the coating tower The second day. January 21. 1995. involved more tests The results – especially comparing the older results of the WIMS process with the new. improved process were very. very impressive – the enhanced brilliance of the metallic colors in the Rolex advertisement and the Lexus brochure were especially memorable. as the impressions had a sheen that was clearly of more brilliance that the older WIMS counterpart impressions Note a copy of one of the first Rolex advertisement sheets produced by a simulation of the invention, **Exhibit E** No one attended the tests from PRI. but

we told PRI executive Garner of the results that day since he was also in Heidelberg on business and we happened to see him at his hotel

13 Also, in January 1995, a meeting took place in Conference Room E at WPC, which was attended by the undersigned reissue applicants, as well as John Bird and Steve Baker of PRI At this meeting, Jesse Williamson told Bird and Steve Baker that he (Williamson) and Davis were going to file a patent application on their new process.

14 By early February, we decided to go with the modified PRI rack-back, rather than having a dedicated flexography station manufactured by Heidelberger. PRI wanted to install an experimental "short-arm," end-of-press prototype device on the first Heidelberg press to arrive at WPC for what they described as for their own purposes. This experimental "short arm", cantilevered device was provided to WPC at no charge and was installed on the tower coater of the new Heidelberg 7-color press in late February, 1995. By March 4 or so, we had Heidelberg executives and the foreign press in Dallas, some of whom saw the first U.S.A. simulation of the invention on March 4, 1995 There was even a publication of this "WIMS II" ('363) simulation – see group **Exhibit F**. Later on March 20, 1995, we ran the first commercial job using a simulation of the '363 invention for a Washington D C client – Mills Davis and Hi-Fi Color (the so-called "Brian Liester" poster), for which WPC won an award at the PIA's Premier Print Awards in late 1995 in Chicago, Illinois. Later off-line simulations occurred in May 1995 for Wolstenholme – a brochure ("Take a Ride With WIMS") for 1995 DRUPA – and the Dallas Opera in July 1995 ("Madame Butterfly")

15. Although we had orally committed by early February 1995 to purchase from PRI modified rack-back devices (See **Exhibit H**) to carry out the '363 process, PRI's confirmatory letter for a time table for installation of the first interstation device was not transmitted to WPC until May 12, 1995, setting 90 days for completion. (See **Exhibit G**). This first "long-arm", or automated unit, was actually installed in late August 1995 or early September 1995, and to the best of our knowledge the first actual in-line reduction of the invention occurred at WPC in mid-September, 1995

16 As indicated, we told PRI representatives in January, 1995 that we were going to file a patent application on our process. From early May 1995 until the filing date of our application in mid-August, 1995, we recall we were involved in the drafting and redrafting of a patent application with our attorney Al Hall, the drafts of which we assert our attorney-client privilege See '363 privilege list for May 4, 1995 - August 14, 1995, **Exhibit I**. According to this privilege list, there were at least three drafts of the patent application, consistent with what we recall Pertaining to the '363 invention, the time period from May 3, 1995 to our filing date in August 1995 was consumed by said patent drafting activity, simulations of the process, and anticipated installation of the first '363 interstation device.

17 Paragraph 3 of our Rule 57 declaration executed May 20 1999, states, in part, that

> "[i]n approximately December 1994, Petitioners requested Printing Research to design and install on the tower coater at the

end of Williamson Printing's seven-color press an experimental flexographic printer coater having an anilox roller."

For several reasons, as explained below, this statement is in error. First, we now know they we never requested the construction of an experimental unit. Second, following the disclosure of the '363 process to Steve Baker in the summer of 1994, we expressed our desire to Steve Baker, John Bird and others at PRI to obtain a retractable printer/coater with an anilox roller and a chambered doctor for upstream use with the '363 process. Baker and Bird indicated that PRI could produce such a device. Accordingly, process design details were disclosed to Bird and others throughout the fall of 1994 and into 1995. Third, PRI constructed an experimental flexographic printer/coater, which was installed at the tower coater at the end of WPC's seven-color press at the end of February 1995, but this experimental unit was not requested by WPC.

18. The errors in the Rule 57 declaration statement quoted above in paragraph 17 were made inadvertently and without deceptive intent. The reasons for the errors in the above statement are that the Rule 57 declaration was prepared as part of the reissue papers in a short time period of four days prior to and including May 20, 1999, we did not have the opportunity to review all of the relevant 1994 and 1995 documents from WPC's and our files relating to this matter before execution of the declaration, and John Bird's letter of February 16, 1995 (**Exhibit G**), which was reviewed by us and was the first correspondence from PRI relating to construction of the interstation flexographic printer/coater by PRI, contained several errors, which we believe were unintentional and inadvertent.

19 Paragraph 5 of our Rule 57 Declaration also states in part, that

> "[i]n approximately January or early February 1995, Petitioners requested Printing Research, Inc. to design and to install on the first printing station of the triple tower press a flexographic printer/coater like the experimental coater installed on the seven-color press. This unit was installed on the seven-color press in approximately mid-March 1995 Thus, at or about this time, Petitioners' invention was disclosed or imparted, at least in part, to Printing Research, Inc.."

For several reasons, as explained below, this statement is also in error First, we now know that we never requested the construction of an experimental unit. Second, following the disclosure of the '363 process to Steve Baker in the summer of 1994, we expressed our desire to Steve Baker, John Bird and others at PRI to obtain a retractable printer/coater with an anilox roller and a chambered doctor for upstream use with the '363 process Baker and Bird indicated that PRI could produce such a device. Accordingly, process design details were disclosed to Bird and others throughout the fall of 1994 and into 1995 Third, PRI constructed an experimental flexographic printer/coater, which was installed at the tower coater at the end of WPC's seven-color press at the end of February 1995, but this experimental unit was not requested by WPC Fourth, on or about February 11, 1995, a meeting was held at WPC in which PRI confirmed that it would construct and install such a retractable interstation device on the first printing station

of WPC's newly arrived six-color press. This first interstation device was the subject of a second confirmatory letter, dated May 12, 1995, from Bird to Jerry Williamson, which gave ninety (90) days for completion. The interstation device was actually installed on the first station of WPC's six-color press in late August or early September 1995, as noted in paragraph 15 above. Fifth, we first informed Steve Baker and PRI of our invention, as indicated above in paragraphs 5-6, in July 1994, and the details of the invention to Bird of PRI, as noted in paragraphs 8-9, in the fall of 1994.

20 The errors in the Rule 57 declaration statement quoted above in paragraph 19 were made inadvertently and without deceptive intent. The reasons for the errors in the above statement are that the Rule 57 declaration was prepared as part of the reissue papers in a short time period of four days prior to and including May 20, 1999, we did not have the opportunity to review all of the relevant 1994 and 1995 documents from our files relating to this matter before execution of the declaration and John Bird's letter of February 16, 1995, which was reviewed by us and was the first correspondence from PRI relating to construction of the interstation flexographic printer/coater by PRI, contained several errors, which we believe were unintentional and inadvertent.

21 In addition to the aforesaid errors, a number of errors pertaining to dates exist in the Rule 57 declaration. In paragraph 1, there is an indication that "in approximately June 1994", WPC ordered several presses from Heidelberg Drucksmaschinen A.G. True, an oral commitment was made in June between WPC and Heidelberger, but written confirmation did not occur until August, 1994. This error was made inadvertently, and without deceptive intent. We did not have the opportunity to review our corporate employer's files or our personal files when we executed the Rule 57 declaration on May 20, 1999. A similar date error as to the purchase of new press equipment occurred in the first sentence of paragraph 4, likewise made inadvertently and without deceptive intent.

22 Still other date errors occurred in paragraph 1 of the Rule 57 declaration:

> "One of these presses, a seven-color press with a tower coater (the seven-color press") was installed at Williamson Printing in approximately October 1994 .. In approximately October-November 1994, Printing Research demonstrated to Petitioner's its end-of-press anilox coating system, known as the plate blanket coater."

The installation of the press identified was started in September 1994, not October 1994. Additionally, tests at PRI were conducted in October 1994 and December 1994, but under WPC's direction and control, as noted above in paragraph 9. Such errors in our Rule 57 declaration were made inadvertently and without deceptive intent.

23 Likewise, another date error occurred at the end of paragraph 3 of the Rule 57 declaration

"The only correspondence we can find between Williamson Printing Corporation and Printing Research, Inc. after Exhibit 1, and prior to installation of the interstation printer/coater, is attached hereto as Exhibit 2 "

After a chance to review WPC's and our own records, we found Bird's proposal of May 12, 1995, **Exhibit G**, and an assortment of documents pertaining to negotiations between the parties, **Group Exhibit K**. This is strictly an error in dates, as we previously declared that the first interstation unit was delivered in mid-March, 1995 (see Rule 57 declaration, paragraph 5 discussed above). when the first interstation unit was actually delivered in late August 1995 or early September 1995. See paragraph 15 above.

Other than the errors noted above, the remainder of the comments in the Rule 57 declaration not inconsistent with the statements made in this declaration after a review of our documents, we reaffirm as we still believe they are true and correct.

The undersigned Declarants state that all statements made herein of Declarants' own knowledge are true, and that all statements made on information and belief are believed to be true; and further that these statements were made with the knowledge that willful false statements and the like so made are punishable by fine or imprisonment, or both, under Section 1001 of Title 18 of the United States Code.

Bill L. Davis

Date

Jesse S. Williamson

6/30/2000

Date

A

MEMORANDUM

To: Jerry Williamson

From: Bill Davis

Subject: R&D Projects

Date: 12/16/94

Please find listed below various R&D Projects pending at this time.

1. Relief Plate System: A system for exposing and processing relief plates to be used on the tower coaters of our S/F presses. Also relief plates with a steel back will be needed for a UV coater on one of our web presses. BASF appears to have the best system at this time. Proposals have been submitted indicating a system cost of about $80,000.

2. Test PRI EZ Coater (cartridge coater): The cartridge coater system made by Printing Research needs to be tested to see how suitable it is for our needs. Suggested locations for the system are as follows:
   A. The 1st. printing unit for running water based metallic ink the WIMS process. Opaque white and other strong water based inks. Inter-station HV drying will have to work for this to be successful.
   B. The last printing unit for coatings both gloss and dull, spot and flood coat.
   C. The tower coater for water based metallic ink.
The system is needed for application of any material which has particles that need to be kept in suspension while running such as metallics or scratch and sniff. The price for the basic system is $54,950.

3. Test Heidelberg Chambered Doctor System: This version of a cartridge coater replaces the conventional (film split) coater on the coating tower. The concern is that some of the versatility is lost when the film split coater is removed. This unit will be tested at Heidelberg in January. The cost of this system is $60,750.

4. Register Clamps: Additional register clamps will be needed for the printing units. Heidelberg price is $8,730 per set including installation.

5. Materials Testing: Various materials need to be tested for their suitability. Tests on a conventional coater, cartridge coater and the LYL press should be done. Materials to be tested are:
   * Water based metallics
   * Water based opaque white
   * Water based strong colors
   * Scratch and sniff
   * Blister pack coatings

Please find attached the schedule for press testing some of the above items.

Respectfully

Bill L. Davis

W.I13007

MEMORANDUM

To: Jerry Williamson

From: Bill Davis
Bob Emrick
Jim Johnson

Date: November 18, 1994

Subject: Heidelberg Plate Clamps and Chambered Doctor System

Jerry,

We spoke to Bob Boyer and John Dowey today regarding the above reference. I have the following information on the Heidelberg Adjustable Plate Clamps for the coating tower unit.

1. Installation: Installlation of this plate clamp system takes one man approximately 8 hours.

2. The installation of the plate clamps involves pinning the clamps to the cylinder. This would make it impractical to move the clamps from one coating tower to another.

3. Deliver time for the clamps was quoted at 6-8 weeks but Bob believes that this can be hurried up once an order is placed.

4. Pricing: Bob said that if a multiple purchase of more than one clamp is made, the price would be less 10% discount. This would mean that the cost of the clamp system for each tower coater would be $8,730. Total budget for the 4 tower coaters on the first 3 presses would $34,920. Total budget for all 5 presses or 6 tower coaters would be $52,380.

5. The above pricing does include installation of each clamp system.

6. In response to Jesse's desire to run flexo metallics or PMS colors on one of the printing units, John Dowey has responded saying that in theory the plate clamp system could be mounted for this purpose.

7. John also mentioned that once the adjustable plate clamps are mounted on the coater blanket cyclinder, it is necessary to use an aluminum crimped blanket bar in conjunction with the clamp system. This should not present a problem as we are using the crimp on aluminum blanket bars on all of our blankets anyway.

MEMORANDUM

: Jerry Williamson — From: Bill Davis

bject: R&D Projects — Date: 12/16/94

Please find listed below various R&D Projects pending at this time.

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* Water based opaque white
* Water based strong colors
* Scratch and sniff
* Blister pack coatings

ease find attached the schedule for press testing some of the above ems.

spectfully

.l L. Davis

W013009

B

HEIDELBERG

October 26, 1994

Press Marketing

Heidelberg USA, Inc.

1000 Gutenberg Drive
Kennesaw, GA 30144
Phone 404 419 6500
Fax 404 419 6625

Telefax to: Jerry Williamson, CEO
Jesse Williamson, President
Williamson Printing Co.

From: John Dowey

Subject: ***Pre DRUPA Double Coater Press***

Dear Jerry and Jesse:

Mr. Bob Boyer brought your request for the Heidelberg factory to possibly have the DRUPA innovations of running register on the coating units and automatic register in-line, fitted to your Speedmaster CD102S+LYL. This machine is presently under construction and we hope that it will leave the factory in late December.

We regret to inform you that these features cannot be adapted to the present design due to several mechanical and electronic changes, which Mr. Boyer confidentially briefed you on. These options are only available on the DRUPA design machine which would be available in during the third quarter of 1995. They cannot be retrofitted to the existing design.

We confirm that it is now possible to retrofit the coating clamps that allow manual register adjustments and precise mounting of spot coating plates. Thus these could be fitted to the coating units of your existing presses, as well as the December pre-DRUPA CD102S+LYL.

We look forward to meeting with you here in Heidelberg during the week of December 10 to demonstrate the chambered doctor blade system for coating, and give you a private showing of the DRUPA design at the factory as well as a customer installation here in Germany.

Regards,

John Dowey
Marketing Director/Speedmaster

cc: Hans Peetz-Larsen
Wolf Hager
Mike Morgan
Scott Brown
Reginald Rettig, HDM/Germany

C

HEIDELBERG

Southwest Region

Heidelberg USA Inc
1801 Royal Lane
Suite 101Z
Dallas, TX 75229
Phone 214 506 7000
Fax 214 506 0476

November 8, 1994

Jerry and Jesse Williamson
Williamson Printing Corporation
6700 Denton Drive
Dallas, Texas 75235

Dear Jerry and Jesse,

Pursuant to our conversations regarding the special plate clamps for our coating tower that facilitate the use of Cyrel or other flexo type plates to be mounted and registered, and the Chambered Doctor System for the coating tower, please note the attached information from our Factory.

I highly recommend that you place an order immediately for the special plate clamps so as to expedite factory shipment and installation on your Seven Color press for evaluation.

It is also my recommendation that in conjunction with our trip to Germany on December 10, 1994 to evaluate the Drupa CD Technology, we arrange a demonstration of the Chambered Doctor System. Upon your review and evaluation we can then proceed with your order for the system with the noted approximate delivery and installation times.

As always, it is a pleasure to work with you and your fine group of associates. I look forward to our trip to Germany and to continuing to build and strengthen our partnership.

Sincerely,

Bob Boyer
Regional Manager
Heidelberg USA, Inc.

cc: Bill Davis
Bob Emerick
Jim Johnson

D

BASF CORPORATION

PROPOSAL FOR

WILLIAMSON PRINTING CORPORATION

W013015

October 13, 1994

Mr. Richard Torres
Pre-Press Director
Williamson Printing Corporation
6700 Denton Drive
Dallas, Texas 75235

Dear Mr. Torres:

We are pleased to offer Williamson Printing Corporation a proposal designed to provide you with the most advanced, efficient and profit producing plate technology in the world today. We are certain it will enhance your productivity, quality and safety while reducing your costs for many years to come.

The contents of this offering contain several financial enhancements that we believe will produce early satisfaction and substantial benefits for Williamson Printing Corporation.

We are delighted with your interest and consideration. We look forward to a long, friendly and beneficial relationship.

Sincerely,

Gregory Canty
Technical Sales Representative
Printing Plate Systems

Enclosures

cc: Carl Weber
Brian Reilly
File

BASF CORPORATION

BASF Corporation, headquarters in Parsippany, New Jersey, is now one of the ten largest chemical companies in North American with annual sales of over $5 billion. Products manufactured by our 18,000 employees in North America make up more the 90% of BASF Corporation sales.

Key components of BASF's North American business included Fibers, Chemicals, Information Systems, Structural Materials and the Coatings & Colorants Division.

COATINGS & COLORANTS

The Coatings & Colorants Division is composed of Automotive OEM Coatings, Automotive Refinishing Products, Printing Plates, Publication Inks and Container Inks and Coatings.

The Graphic Systems Operating Division within Coatings & Colorants now integrates BASF's printing products operations and substantially increases our ability to efficiently serve the Graphic Arts industry. This organization combines Printing Plate Systems and Publication Inks. Printing Plate Systems continual progresses with its nyloflex® flexographic plates and processing equipment as well as its nyloprint lines.

Plates, publication inks, coatings and pressroom chemical products position Coatings & Colorants as a broad based supplier to the Graphic Arts industry. Vertical integration in pigments (Chemicals Division, Holland, Michigan) and ink vehicles (Coatings & Colorants Division, Greenville, Ohio) provide the raw material technologies and supply consistency required of a major supplier.

With an extensive localized service and distribution network in the United States, Coatings & Colorants effectively combines all the benefits of large company capabilities with the personalized service of the best of smaller concerns. Coatings & Colorants brings these capabilities to all of the major printing markets.

Coatings & Colorants' strengths in the United States are reinforced by the worldwide strength of the BASF Group with headquarters in Germany.

Extensive research capabilities focused on all aspects of printing technology and supply keeps BASF on the leading edge of technology around the world.

TABLE OF CONTENTS

I. INTRODUCTION

BASF Corporation, Printing Plates Systems is pleased to offer this proposal for our nyloflex® LW 116 coating plates and processing equipment to Williamson Printing Corporation, Dallas, Texas. The benefits detailed in this proposal, such as optimized value, efficient service, product quality and consistency will in our opinion yield significant improvements.

II. PRODUCT AND BENEFITS

nyloflex® LW 116 Coating Plates

BASF coating plates have replaced hand-cut blankets to reduce press "make-ready" and downtime. They are suitable for either aqueous or UV coatings. These plates meet all of the requirements for fine detail coating jobs due to their capacity to hold high resolution elements. They offer high dimensional stability and are mounted comparable to any other printing plate. A register system facilitates accurate positioning.

The nyloflex® LW 116 coating plates represents an ideal combination of advantages

High contrast	Sharp edges
Uniform coating film	No build-up of offset ink

Technical Information

0.046 inches thick

0.001 inches Polyester base

0.036 inches relief depth

Shore A 75 hardness

Available sheet sizes: 35 x 42, 50 x 58, 51 x 57.8 8 sheets per carton LW 116. 35 x 42, are available at $263.86 per plate.

nyloflex® RB 270 L Round Exposing Unit

The newly developed BASF RB 270L round exposing unit exposes nyloflex® coating plates. Different cylinder circumferences allow LI transfer from negatives without time consuming and cost intensive film distortion.

Advantages

- Guide rails provide easy access to the exposing cylinder
- Exposing cylinders of differing diameters and widths are available as necessary
- Fast plate mounting with register bar using conventional register punch. The plate and film are mounted outside of the unit
- Easy to use wrap around vacuum sheet
- Fast vacuum build up
- Short exposure time with high output UV exposure lamps with reflectors
- Simply UV lamp function review
- Electronic timer
- Table top unit supporting frame or legs available as extra accessories

Technical Data

Maximum plate size	32.5 x 55.25 inches*
Cylinder weight	410 lbs. gross. 220 lbs. net
Exposing unit weight	915 lbs. gross. 540 lbs. net
Dimensions	L 79.5 inches W 32.5 inches H 35.5 inches
Power	220 V, Three phase, 60 HZ, 16 amps
Lamps	20 Philips TL 80 W/10 R 59 1/16 inches

* Valid for diameters of 10.625 inches. Maximum exposure cylinder 10.625

nyloflex® DW 135L Washout Unit

The BASF nyloflex® DW 135L continuous flow washout unit provides a convenient, efficient method of processing LW 116 coating plates. The exposed plates are automatically transported by a roller system through the processing section. The nyloflex®

DW 135L utilizes the proven principle of friction washout with oscillating plush pads gently removing the unexposed photopolymer with a solution of 1 percent caustic soda maintained between 122 and 131° F. The system provides totally automatic washout rinsing, and pre-drying

Advantages

Dry to dry plate handling

User friendly operation and maintenance.

Easily removable, long lasting plush pads

Individually adjustable plush pad supports

Variable speed plate through put within a suitable range

Digital displayed flow speed

Pre-drying by circulated warm air

Easily readable displays for water temperature and pre-drying temperature

Technical Data

Maximum plate width	53.125 inches
Minimum plate length	15.75 inches
Weight	Approximately 1,430 lbs.
Dimensions	L 144 inches W 87 inches H 52 inches
Tank capacity	53 gallons each
Exhaust rate	280 feet per minute, 4 inch diameter
Power	220 V, Three phase, 60 HZ, 16 amps

nyloflex® F III Dryer

The BASF nyloflex® F III dryer provides an ease of operation in an energy efficient, user friendly unit. The F III dryer ensures uniform temperature distribution of +- 1° C within the drawers. Operator safety is enhanced by an automatic shut off of the heating elements and circulation fans when opening the drawers. Additional safety features include an automatic shut down should temperatures exceed safety thresholds.

Advantages

- User friendly
- Uniform temperature distribution
- Energy efficient
- Automatic safety shut off

Technical Data

Maximum plate size	36.25 x 47.25 inches
Dimensions	L 80.8 inches W 42.9 inches H 36.2 inches
Weight	772 lbs.
Exhaust	5 inches diameter
Power	220 V, Three phase, 60 Hz, 50 amps

III. PROPOSAL AND OPTIONS OF FINANCING

A. BASF will supply, at a substantial discount, its nyloflex® coating plates processing systems to Williamson Printing Corporation, Dallas, Texas.

B. A certified BASF equipment engineer will assist you in the design of your platemaking facility, as well as the installation of the systems.

C. Qualified BASF technicians will train the in-plant platemakers to properly operate and maintain the systems, maximizing their value.

D. BASF will provide personnel at no charge to remain on location until all in-plant personnel are qualified in the proper platemaking skills. In addition we will conduct periodic quality control audits of systems procedures to ensure that plate preparation systems are correct and maximizing performance.

mlotlex® COATING PLATE PROCESSING EQUIPMENT

Description	List Price	Williamson Printing
RB.2701. 32 x 55.25 inches	$18.972	$14.373
DW 1354. Max. Plate Width 53.125 inches	$62.937	$47.680
F III Dryer 36 x 47.25 inches	$32.367	$24.520
Total	$114.276	$86.573

Note: The above items have an approximate eight to twelve weeks delivery after receipt of written order. Shipping is F.O.B. Zeeland, Michigan.

EQUIPMENT PURCHASE OPTIONS

The following options are available to Williamson Printing Corporation from the BASF Printing Plate Systems Division, and are as follows for the purchase of the desired equipment:

OPTION 1 BASF will provide the desired equipment to Williamson Printing Corporation at the special price requiring a twenty-five (25%) down payment of $21,643.25 with the order. Williamson Printing Corporation to pay the balance ($64,929.75) in normal billing time of thirty (30) days.

OPTION 2 BASF will provide the desired equipment to Williamson Printing Corporation at list price requiring a twenty-five (25%) down payment of $28,569. Williamson Printing Corporation shall pay the balance of $85,707 during a period of twelve (12) months in equal payments of $7,142.25. No interest charges will apply.

BASF will apply plate purchases to our rebate program should Williamson Printing Corporation choose to accept Option 1. BASF will not apply plate purchases to our rebate program should Williamson Printing Corporation choose to accept Option 2. We will apply plate purchases to our rebate program after the payment period in the case of Option 2.

BASF will file the necessary UCC-1 forms while Williamson Printing Corporation pays for the equipment. In addition, Williamson Printing Corporation and BASF must sign an Equipment Sales Agreement.

VI. REBATE PROPOSAL

BASF proposes the following rebate schedule:

ANNUAL PURCHASE VOLUME	REBATE
$ 25,000 - $ 49,999	1.5%
$ 50,000 - $ 99,999	2.5%
$ 100,000 - $ 249,999	5.0%
$ 250,000 - $ 499,999	8.0%

Rebate schedule applies only to plate purchases.

VII. DURATION OF AGREEMENT

BASF submits this proposal to Williamson Printing Corporation with all prices on equipment confirmed as of October 13, 1994.

VIII. TECHNICAL AND CUSTOMER SERVICE SUPPORT

Technical Support

BASF provides a 24 hour, 7 days a week, Technical BASF hot line, 1-800-343-4700.

Customer Service

BASF provides extended Customer Service office hours from 8:00 AM to 5:00 PM eastern time.

Priority Service - BASF will specify a Customer Service Representative to work with Williamson Printing Corporation to expedite orders and answer any questions that may arise.

E

Now the hard part. 18 karat gold or stainless steel? Day-Date? GMT-Master? Datejust? Explorer II? • Perhaps you need a closer look, in which case we suggest you visit Bailey Banks & Biddle and have one of our Rolex trained associates take you through our extensive Rolex collection. • Since 1832, we have been providing the finest watches, jewelry and giftware to a clientele accustomed to such things. That's why we carry only the finest quality gems, fashioned into pieces that are as timeless as they are beautiful: diamonds, rubies, emeralds, and pearls blissfully wedded to the world's most precious metals. Each an elegant union of nature's best. • So, come in and view these glorious creations. And see why Bailey Banks & Biddle has been the jeweler of choice for seven generations.

• • •

When selecting your Rolex watch ask about our credit plan options, including the Club Account.* It enables you to extend the payments of your purchase over ten months, with no finance charge.

W013020

ROLEX

AND ANOTHER 2,000 YEARS

TO DEVELOP ONE THIS GOOD.

△ STAINLESS STEEL AND 18 KARAT GOLD DATEJUST

While past civilizations struggled to find a reliable method of measuring time, you have it considerably easier. Simply invest upon a Rolex. ◆ Behind the dial that bears the Rolex emblem lies a movement of extraordinary design and craftsmanship. Whether you choose quartz or the famed Perpetual self-winding movement, it will be housed securely in a block of solid 18 karat gold or stainless steel. Giving you a watch that is seemingly impervious to the rigors of modern civilization. One you can depend on for years and years and years.

△ STAINLESS STEEL AND 18 KARAT GOLD DATEJUST

△ STAINLESS STEEL AND 18 KARAT GOLD OYSTER PERPETUAL DATE

△ STAINLESS STEEL AND 18 KARAT GOLD DATEJUST

△ STAINLESS STEEL AND 18 KARAT GOLD OYSTERQUARTZ

F

WOLSTENHOLME
INTERNATIONAL LTD

HEAD OFFICE
Springfield House
Lower Bastenhill Road
Darwen, Blackburn, Lancashire,
BB3 0RP, England.

Tel: 01254 703000
Telex: 63297 WOLSTN G
Fax: 01254 [illegible]

DATE: 7 March 1995

COMPANY: Williamson Printing

FAO: Jesse Williamson

FROM: Mike Yates cc HEB/SC/HCM

SUBJECT: WIMS Visit

NO. OF PAGES: 1 (incl. this one)

f a x

If this fax is illegible or incomplete please contact me on 01254 87 47 33

Dear Jesse,

Please convey the thanks of Harry, Helen and myself to all the Williamson Printing staff who gave up so much of their time over the last few days. All the journalists were extremely complimentary of the reception they had received and the quality of input from all concerned in Dallas.

It is going to be difficult to measure the impact that the visit will make on the up-take of the WIMS process initially. But over a period of time, after the articles have been published and absorbed, I'm sure we will begin to see the benefits (sales revenue!!).

In the meantime, at Wolstenholme we know we have a great deal more work to complete in order to provide a suitable water-based ink system which will allow the maximum to be achieved from the WIMS 2 process. The immediate aim in Darwen is to de-brief Steve on the results of the test runs at Printing Research in order that we can progress our laboratory work.

We will be in touch with Bill again soon in order to make arrangements to supply a new batch of coating, based on our new resin formulation, which we think will provide another step improvement in the properties desired.

Hope that the weather in Dallas has returned to normal following our departure and thank you all very much again for your wonderful hospitality.

Kind regards,

Michael J. Yates

W013031

WOLSTENHOLME
INTERNATIONAL LTD

HEAD OFFICE
Springfield House
Lower Eccleshill Road
Darwen, Blackburn, Lancashire,
BB3 0RP, England.

Tel: 01254 [illegible]
Telex: [illegible] WOLBRG
Fax: 01254 [illegible]

f a x

DATE:	**18TH APRIL 1995**
COMPANY:	**WILLIAMSON PRINTING CORPORATION**
FAO:	**LESLIE - JESSE WILLIAMSON'S SECRETARY**
FROM:	**TRACEY**
SUBJECT:	
NO. OF PAGES:	4 [illegible]

If this fax is illegible or incomplete please contact me on 01254 874721

Dear Leslie,

Please find attached, Gary Doughty's report as requested.

Tracey

W013032

WILLIAMSON PRINTING ROLLS-OUT REVOLUTIONARY NEW PROCESS

Dallas, TEXAS - March 4, 1995. Williamson Printing Corporation has patented a new process that dramatically increases opportunities for graphic expression using metallic inks. This highly advanced technology called WIMS, for Williamson Integrated Metallic Systems, is now being offered by the Dallas-based company throughout the international graphic arts industry. The unique process makes possible true merging of metallics with other inks to achieve heretofore unattainable realism and visual impact in print.

WIMS incorporates proprietary powders, color separation techniques, and press work perfected after years of research and development by Williamson, its Classic Color Corporation subsidiary, and Wolstenholme International of Darwen, Lancashire, England. WIMS has already enhanced award-winning work ranging from duotone to seven color images for such diverse products as ROLEX watches and LEVIS 501 jeans. The innovation is undergoing further development and Williamson expects to soon introduce a second generation, called WIMS II, that incorporates their Litho-FLEX process offering additional printing applications.

FOR MORE INFORMATION CALL
Jesse Williamson, President
Williamson Printing Corp.
214/904-2114

WIMS PROCESS

WHAT ARE THE BENEFITS TO THE END USER - WHAT EXTRA DOES IT GIVE YOU/WHAT ARE THE ADVANTAGES?

1. Realistic reproduction of metallic objects in print.

2. Artistic applications ranging from lifelike to surrealistic, depending on how and where the metallic effects are applied to an image.

3. Walk-by appeal. The reflectance of the printed image changes subtly as the viewing angle changes (somewhat akin to holography). This effect can occur when walking by a point-of-purchase display, when viewing a busmounted advertisement, when driving past a billboard or the simple act of turning a magazine page.

4. Increased attention span. The unique characteristics of metallic ink printing and the range of applications entice the viewer to look more closely at the

reproduction, thereby enhancing viewer memory of the advertised product or service.

5. In the past few years metallic spot colors have become quite popular. These are inks made by mixing given percentages of metallic ink, generally gold or silver and some process or other spot color ink. To use multiple metallic spot colors on a page different inks would have to be formulated and run for each color. With the WIMS system these colors could be emulated using metallic and process screen tint mixes in the same way spot colors are emulated with process tint combinations today.

HOW IT WORKS (IN RELATION TO THE NORMAL FOUR COLOUR PROCESS).

1. Up to two additional separations (gold and/or silver) are produced from the original artwork.

2. The four colour separations are adjusted to accommodate the additional ink being printed in the metallic areas.

3. Since there are up to five colors to be printed in a given area screen moires are a potential concern. Historically, great effort was taken to mask out the least printing (tertiary) color so that only a maximum of four screened colors remained. This step can obviously be avoided with stochastic screening where screen moire is no longer an issue. We have also had great success using conventional screening at fine-line resolutions (175 line or higher) and duplicating the angle in the metallic sep with one of the traditional 4/c angles (gold at the same angle as magenta, silver at the same angle as cyan).

4. Proofing is typically done using DuPont Cromalin. Because of the larger particle size of the Cromalin powder vs the particle size used in offset inks there is a slightly greater sheen in the off-press proof than is achieved on the final printed piece. This is probably more true in areas where gold ink is printing than is silver.

5. Since silver and gold inks are both inherently opaque they are printed as the first-down colors. The remaining 4-color inks are printing in normal sequence though some adjustment of tack-rating may be required.

6. Some care must be taken with the metallic inks once they are out of the can to avoid tarnishing and oxidation of the inks.

IS IT APPLICABLE TO TWO AND THREE COLOR PROCESSES AS WELL?

Yes. There are some highly sophisticated B&W photographic printmaking processes utilizing platinum emulsions. These artistic methods are easily and realistically reproducible using black and gold inks in offset lithography. Old Daguerreotypes have an inherent metallic quality reproducible in this process as well.

DOES THE PRINTING PROCESS CHANGE?

The key issue here is the in-line drying of the metallic inks so the process colors may be successfully overprinted on a single pass through the press. This can be achieved with good ink trapping and overprint measurements by the use of interstation dryers, which force warm air over the sheet as it passes between printing units; leaving a vacant unit between the metallic ink printing unit and the first process ink printing unit to allow more drying time and/or manipulating the properties of the ink vehicle itself to achieve improved ink set-up and drying characteristics. Much work in this regard has been accomplished by Wolstenholme.

HOW MUCH EXTRA DOES IT COST? HOW DIFFICULT/EASY IS IT?

Whether 5 or 6 color (4 color process plus gold and/or silver) there are inherently 25-50% more films, proofing layers, plates and printing units than would be required for straight 4 color process printing. These additional costs can be projected on a fairly linear scale.

Other costs factors have traditionally been the need to manually create the additional (gold and/or silver) separations on expensive high-end computer prepress systems and to print these pieces by "dry-trapping" the process colors over the metallics on press (i.e. running the job through the press twice). In the WIMS system, we have accomplished single-pass (wet-trapping) of the metallic and process inks which results in only half the press time previously required. On the front-end (separation) side, the color selective range tools, alpha channel masking and layering capabilities of Adobe Photoshop 3.0 and other high-end desktop color software, combined with Applescript and other automation tools should help drive down the costs of creating the additional metallic seps. As seven-color (Hi-Fi) separation software tools come to market there are certainly opportunities to use these tools in the creation of metallic color separations also.

G

Printing Research, Inc.
"Mark-less" Super Blue®

May 12, 1995

Mr. Jerry Williamson
Williamson Printing Corp.
6700 Denton Drive
Dallas TX 75235-4497

Dear Jerry,

It was a great pleasure for Steve Garner and me to meet with you, Jesse Williamson and Bill Davis. The following confirms our discussion:

1. **EZ Interstation Flexo Printer/Coater**

   A. Lithoflex as used by PRI to describe its EZ Printer/Coater process is not in conflict with WPC.

   B. PRI is preparing comment for an upcoming coating article in Graphic Arts Monthly relative to the EZ Printer/Coater family, as well as a presentation for the GATF Sheetfed Conference June 25-27, 1995. Both GAM and GATF would like input from WPC. We are suggesting that they both contact you direct.

   C. An order for one Super Blue EZ Interstation Flexo Printer/Coater (your PO 3315) for installation on the first printing unit of your Heidelberg Speedmaster CD 6+LYL is in hand. We anticipate delivery to be approximately 90 days. The price of the coater is to be negotiated. WPC will continue to use PRI's experimental coater installed on the Heidelberg Speedmaster CD 7+L press until PRI has delivered and installed the EZI.

   D. A separate discussion document addressing exclusivity is attached.

2. **Heidelberg Speedmaster CD 6+LYL (Press #3)**

   A. Gloss readings have been taken of the spot water based primer UV overcoat printing job that had various products (golf club, sports shoe, electrical connectors, etc.). The findings are as follows:
      1. Highlight areas – 97 points (toe of shoe)
      2. Heavy black solids – 74 points (electrical connectors)
      3. Solid blue – 84 points (credit card)

We all concluded that this was a classic case of dry back and that we should press forward with the installation of HV on this press to alleviate such dry back problems and also to dry metallic or specialist water based inks in the future.

10954 Shady Trail Dallas, Texas 75220 U.S.A. Telephone 214-353-9000 Telex 794028 Superblue dal Fax 214-357-5847

B. The UV lamps in the upsweep of the delivery are to be moved to the lower last horizontal aperture in the extended delivery to:
   1. Minimize spray powder contamination when running spot UV applications.
   2. Minimize the effects of sheet flutter on the cure of UV coatings. This needs to be carried out as soon as is convenient to WPC.

3. **Heidelberg Speedmaster CD 8+L (Press #5)**

   A. This press is to be supplied UV ready for maximum flexibility. All indications up to this point are that the water based flexo metallic, even when thoroughly dry, will be prone to pile and back trap when applied on early units of a press. The application of UV metallic appears to overcome this problem. The installation of UV throughout would enable WPC to print litho, flexo on any unit, assuming EZ Flexo Printer Coaters were installed, on any substrate at maximized press speeds.

   B. PRI is to furnish WPC with a proposal for an 11 lamp 'Cold' UV system for this press.

4. **Web Offset 38 Inch UV Coating System**

   A. PRI is to arrange a visit for WPC to Sheffer's installation of a UV coater on a Heidelberg Harris M1000 in Portland, Tennessee.

   B. PRI is to prepare a proposal for a joint Sheffer/PRI coater package for installation on WPC's newly proposed press.

We look forward to a continued successful partnership.

Sincerely yours,

John Bird

John Bird
Product Manager

JB:ln

Enclosures:

cc: Jesse Williamson/Williamson Printing Corp.
Bill Davis/Williamson Printing Corp.
Bob Emrick/Williamson Printing Corp.
Steve Garner/PRI
Steve Baker/PRI

Printing Research, Inc.
"Mark-less" Super Blue®

WPC/PRI PARTNERING AGREEMENT FOR THE SUPER BLUE EZ INTERSTATION FLEXO PRINTER/COATER

1. PRI agrees to manufacture and supply one Super Blue EZ Interstation Flexo Printer/Coater (PO #3315) on an exclusive basis.

2. Exclusive is to be interpreted to mean that PRI will not supply to printers in the commercial litho offset printing market for a period and territory to be defined.

3. Exclusions include the litho offset printing markets of folding carton, label, and greeting cards.

   A. North America, including Mexico and Canada, will be exclusive to WPC for ~~6~~ 12 months from the date of delivery of the EZ Interstation Flexo Printer/Coater (PO #3315).

   B. Texas and its contiguous states (Louisiana, Arkansas, Oklahoma, New Mexico) and including Arizona and Colorado will be exclusive for a further 6 months, equaling 12 months from the date of delivery of the EZ Interstation Flexo Printer/Coater. 2/1

4. PRI defines 6 months and 12 months exclusivity 3A and 3B to mean PRI will not accept an order for a Super Blue EZ Interstation Flexo Printer/Coater for installation on a printing unit prior to the last printing unit of a press.

5. PRI may request during the term of this agreement to supply to other commercial printers and WPC may not unreasonably decline.

10954 Shady Trail Dallas, Texas 75220 U.S.A. Telephone 214-353-9000 Telex 794028 Superblue dal Fax 214-357-5847

H

Printing Research, Inc.
"Mark-less" Super Blue®

February 16, 1995

Mr. Jesse Williamson
Williamson Printing Company
6700 Denton Drive
Dallas, Texas 75235

214-904-2100 (Phone)

Dear Jesse,

Further to our meeting of 2-11-95 we confirm the following:

1. We are producing an experimental EZ interstation flexo printer coater for installation on your Heidelberg Speedmaster CD 6 color + LYL, 40 inch press with a target to be installed and operational date of March 15, 1995. This unit for adaptation to the first coating tower of the LYL.

2. The experimental EZ coater will have a coating face length of 39.5 inches. Production models for the Coater position 'L' will have a coating face length of 40.55 inches and for interstation printing unit positions will have a coating face length of not less than 38 inches.

3. The experimental EZ coater will be supplied at no charge to Williamson Printing Company. We anticipate that this unit will be replaced by a production unit at a later date.

4. We have enclosed updated proposals for Super Blue EZ interstation flexo printer coaters for installation on your Heidelberg Speedmaster CD presses.

We look forward to serving your needs and thank you for your interest in our Super Blue range of products. For more information please contact us at 1-800-627-5537.

Sincerely yours,

John Bird
Product Manager

JB:tj

cc: Bill Davis - Williamson Printing Company
Howard DeMoore
Steve Garner
Ed Schaffler
Dave Douglas
Steve Baker

10954 Shady Trail Dallas, Texas 75220 U.S.A. Telephone 214-353-9000 Telex 794028 Superblue dal Fax 214-357-5847

I

PRIVILEGE LIST FOR PREPARATION OF APPLICATION LEADING TO U.S. PAT. 5,630,363 MAY 4, 1995 - AUGUST 14, 1995

Item	Date	Author	Addressee	Claim Description
1	5/16/95	Al Hall - Jones Day Reavis Pogue	Bill Davis	Transmittal letter, advice of counsel and 1st draft patent application
2	5/16/95-7/13/95	Bill Davis	Al Hall	Comments on 1st draft patent application
3	6/30/95	Jones Day Reavis Pogue	WTC	Statement for May 1995 showing intense drafting activities of Hall 5/3/95-5/14/95
4	7/14/95	Al Hall - Jones Day Reavis Pogue	Bill Davis	Transmittal letter with second draft
5	7/15/95-8/13/95	Bill Davis	Al Hall	Comments on 2nd draft patent application
6	7/25/95	Jones Day Reavis Pogue	WTC	Statement for June 1995
7	8/14/95	Al Hall	Bill Davis	Transmittal letter, advice of counsel and final draft patent application

J

MEMORANDUM

To: Jerry Williamson

From: Bill Davis

Subject: Heidelberg Demonstration

Date: 01/14/95

Please find listed below a list of objectives for our trip to Heidelberg, Germany 1/17/95 thru 1/21/95.

DRUPA Presses: Observe and note the following physical and theoretical differences in the DRUPA presses and our current presses.

1. Operational differences.
   * Feeder
   * Units
   * Extension Delivery
   * Coater
   * Inker
   * Dampener
   * Pre Sets
   * Console
   * Automation
   * Speed
2. Physical differences
   * Size L x W x H
   * Weight
   * Electrical requirements
   * Compressed air
   * BTU requirements
3. German printer's comparisons to older presses
   * Print Quality
   * Inking
   * Dampening
   * Automation
   * Speed

Press Improvements: Discuss problems, concerns and future improvements.

1. Register marks need to be smaller.
2. Wireways need to be larger for 7 and 8 color presses.
3. Need more room to accommodate auxiliary systems.
   * IR Dryer
   * HV Dryer
   * Chill water
4. Need precision control for impression cylinder air blow down.
5. Need duct from gear side to work side of press to accommodate chil water pipe.
6. Need wider catwalks. 4"
7. Chain Lube - Clarify Oil or Grease

Chambered Doctor System:

1. Provide test order to Heidelberg and Wolstenholme
   * see attached form.
2. Observe and note test results.
   * Gold and silver particle size in microns
   * Viscosity seconds thru #3 Zahn cup

Test Sheets For Chambered Coater - Doctor System - Germany Trip.

Form 1

Coater Printability Test Form -

(1) Coater Plate - (Gold and Silver - Same Plate)
Coat Amount of Sheets Gold
Coat Amount of Sheets Silver

(3) Litho Plates
Black
Black
PMS Blue (Match color - Close to PMS 293)

Run Sheets coated with Gold through press printing the Black, Black, and PMS Blue (overprint).

Run Sheets coated with Silver through press printing the Black, Black, and PMS Blue (overprint).

* Hold back some gold and silver without overprinting for additional observation.

Form 2

WIMS Test Form -

(2) Coater Plates: (A) Silver WIMS - (B) Gold WIMS

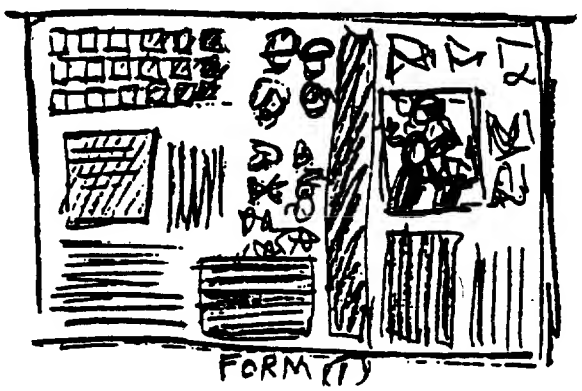
Mount Plate (A) - Run Amount of Sheets - SILVER = "# 1 SHEETS"
Mount Plate (B) - Run Amount of Sheets - SILVER = "# 2 SHEETS"

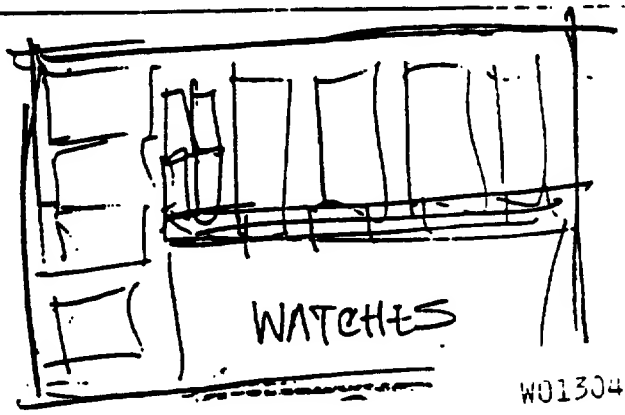
Change to GOLD

Continue with Plate (B) - Run "# 1 Sheets" - GOLD
Mount Plate (A) - Run "# 2 Sheets" - GOLD

(4) Litho Plates - Four Color Process
Overprint Above Coated sheets

* Hold back some of each coated sheet without overprinting for additional observation.





W013046

K

Printing Research, Inc.
"Mark-less" Super Blue!

May 12, 1995

Mr. Jerry Williamson
Williamson Printing Corp.
6700 Denton Drive
Dallas TX 75235-4497

Dear Jerry,

It was a great pleasure for Steve Garner and me to meet with you, Jesse Williamson and Bill Davis. The following confirms our discussion:

1. **EZ Interstation Flexo Printer/Coater**

   A. Lithoflex as used by PRI to describe its EZ Printer/Coater process is not in conflict with WPC.

   B. PRI is preparing comment for an upcoming coating article in Graphic Arts Monthly relative to the EZ Printer/Coater family, as well as a presentation for the GATF Sheetfed Conference June 25-27, 1995. Both GAM and GATF would like input from WPC. We are suggesting that they both contact you direct.

   C. An order for one Super Blue EZ Interstation Flexo Printer/Coater (your PO 3315) for installation on the first printing unit of your Heidelberg Speedmaster CD 6+LYL is in hand. We anticipate delivery to be approximately 90 days. The price of the coater is to be negotiated. WPC will continue to use PRI's experimental coater installed on the Heidelberg Speedmaster CD 7+L press until PRI has delivered and installed the EZI.

   D. A separate discussion document addressing exclusivity is attached.

2. **Heidelberg Speedmaster CD 6+LYL (Press #3)** W000608

   A. Gloss readings have been taken of the spot water based primer UV overcoat printing job that had various products (golf club, sports shoe, electrical connectors, etc.). The findings are as follows:
      1. Highlight areas – 97 points (toe of shoe)
      2. Heavy black solids – 74 points (electrical connectors)
      3. Solid blue – 84 points (credit card)

We all concluded that this was a classic case of dry back and that we should press forward with the installation of HV on this press to alleviate such dry back problems and also to dry metallic or specialist water based inks in the future.

10954 Shady Trail Dallas, Texas 75220 U.S.A. Telephone 214-353-9000 Telex 794028 Superblue dal Fax 214-357-5847

W013048

B. The UV lamps in the upsweep of the delivery are to be moved to the lower last horizontal aperture in the extended delivery to:
   1. Minimize spray powder contamination when running spot UV applications
   2. Minimize the effects of sheet flutter on the cure of UV coatings. This needs to be carried out as soon as is convenient to WPC.

3. **Heidelberg Speedmaster CD 8+L (Press #5)**

A. This press is to be supplied UV ready for maximum flexibility. All indications up to this point are that the water based flexo metallic, even when thoroughly dry, will be prone to pile and back trap when applied on early units of a press. The application of UV metallic appears to overcome this problem. The installation of UV throughout would enable WPC to print litho, flexo on any unit, assuming EZ Flexo Printer Coaters were installed, on any substrate at maximized press speeds.

B. PRI is to furnish WPC with a proposal for an 11 lamp 'Cold' UV system for this press.

4. **Web Offset 38 Inch UV Coating System**

A. PRI is to arrange a visit for WPC to Sheffer's installation of a UV coater on a Heidelberg Harris M1000 in Portland, Tennessee.

B. PRI is to prepare a proposal for a joint Sheffer/PRI coater package for installation on WPC's newly proposed press.

We look forward to a continued successful partnership.

Sincerely yours,

John Bird

John Bird
Product Manager

JB:ln

Enclosures:

cc: Jesse Williamson/Williamson Printing Corp.
Bill Davis/Williamson Printing Corp.
Bob Emrick/Williamson Printing Corp.
Steve Garner/PRI
Steve Baker/PRI

WPC/PRI PARTNERING AGREEMENT FOR THE SUPER BLUE EZ INTERSTATION FLEXO PRINTER/COATER

1. PRI agrees to manufacture and supply one Super Blue EZ Interstation Flexo Printer/Coater (PO #3315) on an exclusive basis.

2. Exclusive is to be interpreted to mean that PRI will not supply to printers in the commercial litho offset printing market for a period and territory to be defined.

3. Exclusions include the litho offset printing markets of folding carton, label, and greeting cards.

   A. North America, including Mexico and Canada, will be exclusive to WPC for 6 months from the date of delivery of the EZ Interstation Flexo Printer/Coater (PO #3315).

   B. Texas and its contiguous states (Louisiana, Arkansas, Oklahoma, New Mexico) and including Arizona and Colorado will be exclusive for a further 6 months, equaling 12 months from the date of delivery of the EZ Interstation Flexo Printer/Coater.

4. PRI defines 6 months and 12 months exclusivity 3A and 3B to mean PRI will not accept an order for a Super Blue EZ Interstation Flexo Printer/Coater for installation on a printing unit prior to the last printing unit of a press.

5. PRI may request during the term of this agreement to supply to other commercial printers and WPC may not unreasonably decline.

W000610

Williamson Printing Corporation
6700 Denton Drive · Dallas, Texas 75235 · (214) 904-2100

May 30, 1995

Mr. John Bird
Product Manager
Printing Research
10954 Shady Trail
Dallas, TX 75220

Re: Letter of Agreement and Understanding

Dear John:

I am in receipt of your letter dated May 12, 1995, including attachments, regarding the above referenced, representing your initial draft of our Letter of Agreement and Understanding, that you prepared pursuant to our agreement, and I apologize for not responding sooner.

As an excuse, our key folks have been out attending DRUPA, and after returning, things have been rather hectic.

Frankly, I have not had the opportunity to carefully consider your draft and receive input from our folks, so I am not prepared at this time to give you a formal response.

However, I do recognize that there are some terms and certain parts of your draft that need a little adjustment. I will respond specifically just as soon as I have the opportunity.

I do anticipate that we will require changes in your initial draft of our Letter of Agreement and Understanding.

Unfortunately, I will be out of town this week, and it will probably be another few days before I have our draft to you.

In the meantime, if you have any questions, please do not hesitate to get in touch with me, or Jesse, Bill and Bob.

Again, my apologies, and I look forward to our working out this opportunity to our mutual benefit and satisfaction.

Very truly yours,

Jerry Williamson
Chairman of the Board

JBW:db

cc: Jesse Williamson
Bill Davis
Woody Dixon
Bob Emrick

W000611

Williamson Printing Corporation
6700 Denton Drive • Dallas, Texas 75235 • (214) 904-2100

John Bird
Product Manager
Printing Research Inc.
10954 Shady Trail
Dallas, Texas 75220

June 9, 1995

Dear John,

I want to thank you and all the Printing Research people that helped install the additional u v lamps. I think everyone did a great job of meeting dead lines and the press was ready for testing on Sunday morning as promised.

I am sure that you and I learned more on Sundays testing about the LYL and your u v lamps than we ever imagined. The following Monday we put on the first of many forms for Levi (FCB) and the client was quite pleased with our u v gloss. I am pleased to say that we have come along way since our first testing in March.

Now that we have gotten the sheet to cure with (4) lamps at 7,500 IPH I need to hear from you on your plan to get us up to rated speed 13,000 IPH. I apologize for sending this letter so soon after your success but all of our jobs on the Heidelbergs are quoted to average at 10,000 IPH. To have any chance of reaching that average I must be running the press at rated speeds (13,000 IPH).

After all our testing on Sunday I have to wonder if we don't need a little more H V or possibly some I R after the coating unit. Here I worked with you for one day and now I'm an expert. All kidding a side I do need to know what your next plans are so I can block out testing time for Printing Research.

Very Truly Yours

Jim Johnson

Jim Johnson

CC: J. Williamson
J. Williamson
B. Emrick
B. Davis

W000612

Williamson Printing Corporation
6700 Denton Drive • Dallas, Texas 75235 • (214) 904-2100

June 12, 1995

Mr. John Bird
Product Manager
Printing Research
10954 Shady Trail
Dallas, TX 75220

Re: Letter of Agreement and Understanding

Dear John:

With respect to the above referenced, enclosed please find my draft responding to your letter dated May 12, 1995, including the "Exclusivity Agreement."

First of all, I do apologize for my belated response, but I have just recently had a chance to visit with our folks to get their input on this transaction.

After receiving their input on what they believe has been agreed upon, I have attempted to present that position in response to your original "first draft."

Please note that I have revised your "Exclusivity Agreement" document somewhat, and it does include "liquidated damages" provision, as well as how we should go about resolving any misunderstanding under the terms of this arrangement.

Speaking on behalf of all of our folks here at WPC, we are very much excited about the opportunities before us, and our establishing a good, long and mutually beneficial business relationship.

Again, please accept my apologies for the delay, and I am looking forward to hearing from you at your earliest convenience.

In the meantime, if you have any questions, please do not hesitate to give me a call.

Very truly yours,

Jerry

Jerry Williamson
Chairman of the Board

enclosures

cc: Jesse Williamson, WPC
Bill Davis, WPC
Bob Emrick, WPC
Jim Johson, WPC
Steve Garner, PRI
Steve Baker, PRI

W000613

Williamson Printing Corporation
6700 Denton Drive · Dallas, Texas 75235 · (214) 904-2100

June 12, 1995

Mr. John Bird
Product Manager
Printing Research
10954 Shady Trail
Dallas, TX 75220

Re: Letter of Agreement and Understanding

Dear John:

As promised in my letter of May 30, regarding the above referenced, I will attempt to address the issues set forth in your letter to me dated May 12, 1995. I will address them in the order in which you have outlined in your letter.

Please note my suggestions for the final draft of the Letter of Agreement and Understanding between Printing Research, Inc. (PRI) and Williamson Printing Corporation (WPC), as follows:

1. **EZ Interstation Flexo Printer/Coater**

   A. Lithoflex - Although your statement is correct, and presents no objection from us, our patent and copyright attorney has advised us that the term "Lithoflex" is already being used by another company.

   B. GAM and GATF - We choose not to participate as you have outlined at this time, for we feel it is somewhat premature, and would not be in our best interest. Consequently, we have declined to participate in the GATF Sheetfed Conference panel.

   C. Super Blue EZ Interstation Flexo Printer/Coater (EZI) - The first such unit which has been installed on the CD 7+L press, is an experimental model that should not count as being one of the units involved in our transaction. We believe that the agreement we reached calls for the first, final design, of the EZI, including all its final features, was suppose to be installed on the 6/C CD 6+LYL, at no charge with the expected installation time to be mid-~~August~~ 1995. The second such unit, final design, including all final features, etc., is to be offered to WPC at one-half of the list price, as soon as possible. This is the way we understood the agreement, and hopefully this clarifies any misunderstanding.

A Tradition of Craftsmanship Since 1884

Apparently the WPC PO 3315 that has been issued in your favor, should read "no charge."

D. Exclusivity Agreement - I will address this document and make my comments on a separate attachment, as it has been presented by you. Basically, I believe we originally discussed having more time than you have indicated.

2. Heidelberg Speedmaster CD 6+LYL (Press #3)

A. Gloss Readings - It is my understanding that several changes have been made and tested this past weekend, Saturday and Sunday, June 3 and 4, and we have seen some improvement in the "gloss back." However, we are still not achieving our expectations, and it is not performing at an acceptable level, such as achieving expected press speeds, etc.

B. UV Lamps - Since your PRI document was written on May 12, 1995, further developments have taken place which change the possible plan of action to achieve the minimal spray powder contamination and sheet flutter effects.

In the June 3 and June 4, 1995 testing, we added 4 lamps in the lower horizontal aperture of the extended delivery. At this time, it is not clear what needs to be done to achieve curing of the total sheet surface at maximum press speeds with no spray power contamination.

We will continue working together to achieve this goal.

3. Heidelberg Speedmaster CD 8+L (Press #5)

A. Ordered "UV" Ready - This press has been ordered as suggested.

B. PRI Proposal to WPC - After we have achieved a "successful test," PRI is to furnish WPC with a proposal, including attractive, discounted prices.

June 12, 1995
page 3 of 3
Re: Letter of Agreement and Understanding

4. Web Offset 38 Inch UV Coating System

A. PRI is to arrange a visit for WPC to Sheffer's installation - We agree.

B. PRI Is To Prepare A Proposal For Joint Sheffer/PRI Coater Package - We agree.

As indicated above, enclosed please find the attachment addressing our "Exclusivity Agreement," for your review.

I hope my comments will be well received, and integrated into our final draft.

In the meantime, we, too, look forward to a continuing successful business relationship.

If you have any questions, please do not hesitate to give me a call.

Very truly yours,

Jerry

Jerry Williamson
Chairman of the Board

JBW:db

cc: Jesse Williamson, WPC
Bill Davis, WPC
Bob Emrick, WPC
Jim Johson, WPC
Steve Garner, PRI
Steve Baker, PRI

Williamson Printing Corporation

June 12, 1995

EXCLUSIVITY AGREEMENT

Williamson Printing Corporation (WPC) and Printing Research, Inc. (PRI) have entered into an agreement for the Super Blue EZ Interstation Flexo Printer/Coater (EZI), and the purpose of this document is to set out the perimeters of that agreement, including the granting of "Exclusive Rights" between the parties.

A brief description outlining the terms of this agreement is set out as follows:

1. PRI agrees to manufacture and supply to WPC one EZI at no cost to WPC. This unit shall not be an experimental unit, but one that has been developed to final form, tested, approved for commercial operation and accepted by WPC. PRI grants WPC "exclusive rights" to this unit within the terms and conditions set out here below.

2. These "exclusive rights" mean that, with respect to EZI, PRI will not sell, supply, assist or, help to install to or for any other commercial printing company, engaged in commercial printing, within the territorial markets, and during the time frames as set out here below:

   A. National Market - This market is to include all of North America, including Canada, Mexico and the U.S., and WPC is granted these "exclusive rights" for a period of one year, beginning from the date the referenced EZI has been accepted by WPC.

   B. Regional Market - This market is to include Texas and the continuous states, Louisana, Arkansas, Oklahoma, New Mexico, and, also to include the states of Arizona and Colorado, and WPC is granted these "exclusive rights" for a period of two years, beginning from the date the referenced EZI has been accepted by WPC.

3. PRI will not [redacted] install the EZI during the "exclusive rights" time period as set out above, by installing the EZI on a printing unit located before, or ahead of, the last printing unit of the press.

4. The "exclusivity agreement" shall exclude those printing firms that are exclusively in the market of producing "folding cartons," "labels," and "greeting cards." This will represent an exception to the "exclusivity rights" as granted WPC from PRI.

W000617

EXCLUSIVITY AGREEMENT (cont.)

5. PRI agrees to grant WPC "exclusive rights" for producing products identified and defined as "trading cards" and "pogs," for a period of ten years, and covering a world-wide territory.

6. Should PRI desire revisions to the terms of this agreement, it shall request such revisions in writing to WPC, and WPC agrees to respond to such a request on a timely basis, and not withhold approval unreasonably.

7. Should either party violate the terms of this agreement, the party guilty of the violation shall pay the other party liquidated damages in the sum of $250,000. Such liquidated damages shall be paid in U.S. dollars at the home office of the appropriate party in Dallas, County, Texas, within thirty days of receiving written notice of such violation.

7 8. Should any disagreement arise out of this agreement, and the parties cannot reach an agreeable settlement, or an acceptable understanding, both parties agree to have a third-party, unbiased arbitrator, chosen to settle the issue/issues. After such arbitration, if the parties still remain in disagreement, and legal action is required, the jurisdiction for such legal action shall be an appropriate court located in Dallas, County, Texas.

Printing Research, Inc.
"Mark-less" Super Blue®

July 18, 1995

Mr. Jerry Williamson
Williamson Printing Co.
6700 Denton Dr.
Dallas, TX 75235

214-904-2100 (Phone)

Dear Jerry,

Reference your letter of June 12, 1995. As of todays date it has not proved possible to get the necessary people together to discuss its content.

We are in any case continuing to give an exclusive to WPC in the spirit of our partnering and trust that we will be able to react to your letter in the near future.

We apologize for the delay.

Sincerely yours,

John Bird
Product Manager

WB:th

cc: Jesse Williamson - WPC
Bill Davis - WPC
Bob Emrick - WPC
Jim Johnson - WPC
Howard DeMoore - PRI
Steve Garner - PRI

W000625

10954 Shady Trail Dallas, Texas 75220 U.S.A. Telephone 214-353-9000 Telex 794028 Superblue dal Fax 214-357-5847

Williamson Printing Corporation
6700 Denton Drive · Dallas, Texas 75235 · (214) 904-2100

July 21, 1995

Mr. John Bird
Product Manager
Printing Research, Inc.
10954 Shady Trail
Dalls, TX 75220

File

Re: Letter of Agreement and Understanding

Dear John:

I am in receipt of your letter dated July 18, 1995, with respect to the above referenced, and referencing my letter of June 11, 1995.

I do appreciate your acknowledging receipt of my letter, and apologizing for not responding and finalizing our Agreement and Understanding, but, far too much time has passed. Please give this your immediate attention, and let us try to bring this matter to "closure."

Again, thank you, and please get back with us at your earliest convenience.

Incidentally, I will be out of the city for two weeks, planning to be back in the office Monday, August 7, 1995, but you can continue this dialogue with any of my other colleagues here at WPC.

Thank you in advance for your cooperation, and please let me know if you have any questions.

Very truly yours,

Jerry Williamson
Chairman of the Board

JBW:db

cc: Howard DeMoore
Steve Garner
Bill Davis
Bob Emrick
Jim Johnson
Jesse Williamson

W000626

Williamson Printing Corporation
6700 Denton Drive · Dallas, Texas 75235 · (214) 904-2100

August 11, 1995

Mr. John Bird
Product Manager
Printing Research, Inc.
10954 Shady Trail
Dallas, Texas 75220

Re: Letter of Agreement and Understanding

Dear John:

Pursuant to our meeting on the afternoon of Thursday, August 10, 1995, this letter will serve to confirm those matters discussed regarding the above referenced, and specifically the draft of my letter concerning same subject dated June 12, 1995.

We reviewed the June 12 letter, referenced, in the same order as presented in the letter, I will set forth here below our comments on those matters in the same order as follows:

1. EZ Interstation Flexo Printer/Coater

   A. Lithoflex - We are in agreement here.

   B. GAM and GATF - We are in agreement here.

   C. Super Blue EZ Interstation Flexo Printer/Coater (EZI) - We are in agreement here.

   D. Exclusivity Agreement - Our comments and discussion on this agreement will be outlined in more detail later on in this letter.

2. Heidelberg Speedmaster CD 6+LYL (Press #3)

   A. Gloss Readings - The "gloss back" issue has been addressed in the interim, and a final determination shall be made after our "final testing," which is scheduled for next week.

B. UV Lamps - The "UV Lamp" issue has been addressed in the interim, and a final determination shall be made after our "final testing," which is scheduled for next week.

3. Heidelberg Speedmaster CD 8+L (Press #9)

A. Ordered "UV" Ready - This press has been ordered as suggested being "UV prepped."

B. PRI Proposal to WPC - This press has been "dressed out" and "prepped" with UV interstation drying and is to be tested next week as scheduled.

4. Web Offset 38 Inch UV Coating System

A. PRI is to arrange a visit for WPC to Sheffer's installation - This has not been accomplished yet, but will be scheduled as soon as is mutually convenient.

B. PRI Is To Prepare a Proposal For Joint Sheffer/PRI Coater Package - This has not been accomplished yet, but PRI will prepare and present such a proposal just as soon as possible, and no later than one week from this date.

(1., D.) Exclusivity Agreement (referenced above)

1. We are in agreement, as stated.

2. Terms on the "Exclusive Rights" shall be modified to allow PRI to accept an order from another printing company, but PRI shall not deliver or install the items ordered until the terms of the "Exclusivity" have expired;

A. National Market - We proposed a compromise from one year to nine months.

B. Regional Market - We proposed a compromise from two years to eighteen months.

3. It was proposed to modify this clause to read that PRI will be allowed to accept orders for their equipment, but not to deliver and/or install it during the "exclusivity term" covering the "time period," as referenced in paragraph #2 above.

4. We are in agreement to this clause as written.

5. Recognizing the basis of your objections, we suggest modifying this clause to read that PRI agrees to grant WPC "exclusive rights" for the products defined as "trading cards" and "pogs" under the same terms as set out above in paragraph #2, and shall not sell to another printing company that is currently producing products, either knowlingly or on the basis of "should have known."

6. We are in agreement to this clause as written.

7. You expressed some concern about this clause covering "liquidated damages" and we agreed that you would discuss with your colleagues at PRI concerning the reasons why we believe this clause should be included in our letter of agreement. Liquidated amount would simply establish a fixed amount of damages should either party violate the terms of this agreement. We have agreed to lower the amount of "liquidated damages" to $100,000. We also determined that the liquidated damages would only be effective after the arbitrator had ruled, as set out below in paragraph #8. Basically, this allows for an orderly, expiditious and cost saving way of settling disputes, if any, that may arise.

8. We are in agreement to this clause as written.

Assuming that the testing is completed as we have scheduled for next week, we have agreed to finalize this "Letter of Agreement and Understanding" no later than August 21, 1995.

Incidently, another issue that has arisen which was not discussed during our meeting, was the availability of services, including parts, on a 24 hours a day, 7 days a week schedule. As you know, during our recent working together, from time to time PRI has been unable to solve a service problem due to your personnel not being able to obtain the necessary parts during off hours.

As you can appreciate, in order for us to reach our mutual goals and objectives, and to achieve these in an efficient and cost saving fashion, it will be absolutely necessary that we reach a satisfactory solution to this "parts availability problem." Of course, one of the main reasons we chose to enter into this arrangement with you was that the company was located here locally and close to our facilities, which gave us great comfort in your being able to provide us the necessary support, particularly in emergency situations and "off hour" times. Please give me your response and recommended solution on this particular issue just as soon as possible.

I hope that the above faily well outlines and confirms matters discussed in our meeting, but, if not, please let me know immediately. All of us here at WPC are still very much looking forward to our continuing our "business partnership and alliance."

I want to take this opportunity to thank you for your attention and professional courtesy, and if you have any questions or comments, please do not hesitate to give me a call.

Very truly yours,

Jerry Williamson

cc: Jesse Williamson, WPC
Bill Davis, WPC
Bob Emrick, WPC
Jim Johnsonm, WPC
Steve Garner, PRI
Steve Baker, PRI

Printing Research, Inc.
"Mark-less" Super Blue®

August 22, 1995

Mr. Jerry Williamson
Williamson Printing Corporation
6700 Denton Drive
Dallas TX 75235

214-904-2100 (Phone)

Dear Jerry,

Referring to your letter of August 11, 1995, we respond to the pertinent points as follows:

1. We are in agreement.
2. We are in agreement.
3. Heidelberg Speedmaster CD102, 8+L (Press #5).
   A proposal for 'Cold' UV throughout is enclosed. (Proposal Number 095818).
4. Web Offset, 38 inch UV Coating System.
   A proposal for a Super Blue 'Cold' UV Drying System and a Scheffer Coating System is enclosed. (Proposal Number 095822).

Exclusivity Agreement:

1. We are in agreement.
2. Agreed, except that we would like to stay with:
   A. National Market - 6 months.
   B. Regional Market - 12 months.
3. Proposal is enclosed.
4. Proposal is enclosed.
5. We cannot agree to this clause since we have no way of knowing what our customers may wish to print and cannot dictate what they print.
6. We are in agreement.
7. We cannot agree to this clause:
   Liquidated damages and/or any lawsuit is simply not true to the spirit of our intentions.
8. We are in agreement with this clause, although we do not see the need for an 'unbiased aribtrator.' We do however feel uncomfortable with this clause since it is making our 'Partnering Agreement' more of a legal document than originally intended.

W000631

10954 Shady Trail Dallas, Texas 75220 U.S.A. Telephone 214-353-9000 Telex 794028 Superblue dal Fax 214-357-5847

Servicing Issue:

While we are committed to providing WPC with availability of our service team 24 hours a day, there will be cases when we will not have a man in Dallas able to instantly react to your need. Our service team are all available through pagers and will at least be able to advise over the telephone 24 hours a day. As for spare parts, we recommend a spare parts list that WPC can purchase and avert most difficulties in getting a needed part.

We look forward to a continuing 'Partnering in Progress' and are hopeful that this letter answers all outstanding issues.

Sincerely yours,

John Bird
Product Manager

JB:ln

Enclosures:

cc: Jesse Williamson/WPC
Bill Davis/WPC
Bob Emrick/WPC
Jim Johnson/WPC
Steve Garner
Steve Baker

JESSE WILLIAMSON

Printing Research, Inc.
"Mark-less" Super Blue®

August 22, 1995

Mr. Jerry Williamson
Williamson Printing Corporation
6700 Denton Drive
Dallas TX 75235

214-904-2100 (Phone)

Dear Jerry,

Referring to your letter of August 11, 1995, we respond to the pertinent points as follows:

1. We are in agreement.
2. We are in agreement.
3. Heidelberg Speedmaster CD102, 8+L (Press #5).
   A proposal for 'Cold' UV throughout is enclosed. (Proposal Number 095818).
4. Web Offset, 38 inch UV Coating System.
   A proposal for a Super Blue 'Cold' UV Drying System and a Scheffer Coating System is enclosed. (Proposal Number 095822).

Exclusivity Agreement:

1. We are in agreement.
2. Agreed, except that we would like to stay with:
   A. National Market - 6 months.
   B. Regional Market - 12 months.
3. Proposal is enclosed.
4. Proposal is enclosed.
5. We cannot agree to this clause since we have no way of knowing what our customers may wish to print and cannot dictate what they print.
6. We are in agreement.
7. We cannot agree to this clause:
   Liquidated damages and/or any lawsuit is simply not true to the spirit of our intentions.
8. We are in agreement with this clause, although we do not see the need for an 'unbiased aribtrator.' We do however feel uncomfortable with this clause since it is making our 'Partnering Agreement' more of a legal document than originally intended.

W000633

10954 Shady Trail Dallas, Texas 75220 U.S.A. Telephone 214-353-9000 Telex 794028 Superblue dal Fax 214-357-5847

Servicing Issue:

While we are committed to providing WPC with availability of our service team 24 hours a day, there will be cases when we will not have a man in Dallas able to instantly react to your need. Our service team are all available through pagers and will at least be able to advise over the telephone 24 hours a day. As for spare parts, we recommend a spare parts list that WPC can purchase and avert most difficulties in getting a needed part.

We look forward to a continuing 'Partnering in Progress' and are hopeful that this letter answers all outstanding issues.

Sincerely yours,

John Bird
Product Manager

JB:ln

Enclosures:

cc: Jesse Williamson/WPC
Bill Davis/WPC
Bob Emrick/WPC
Jim Johnson/WPC
Steve Garner
Steve Baker

Printing Research, Inc.
"Mark-less" Super Blue®

095818
Williamson Ptg. Corp.
August 18, 1995

SUMMARY OF PROPOSAL
for
HEIDELBERG SPEEDMASTER CD 8CT / 40

QTY	EQUIPMENT	PRICE
1	SUPER BLUE TWELVE LAMP 'COLD' UV DRYING SYSTEM (SCU)	$338,728.
	TOTAL EQUIPMENT (FOB Factory)	**$338,728.**

OPTIONS

	MEMORY	$ 9,000.
	RAMPING	$16,200.

ESTIMATE: INSTALLATION AND TRAINING $29,000.

QTY	RECOMMENDED SPARE PARTS	UNIT PRICE	EXTENSION
12	SPARE UV LAMPS	338.	$ 4,056.
4	FILTER TUBES	587.	2,348.
	TOTAL RECOMMENDED SPARE PARTS		$ 6,404.

'Proposal', 'Sales Terms and Conditions' on Reverse Side and 'Terms of Proposal' Accepted by:

NAME _____

TITLE _____

SIGNATURE _____

DATE _____

W000635

10954 Shady Trail Dallas, Texas 75220 U.S.A. Telephone 214-353-9000 Telex 794028 Superblue dal Fax 214-357-5847

Printing Research, Inc.
"Mark-less" Super Blue®

SCU 095818
Williamson Ptg. Corp.
August 18, 1995

PROPOSAL

for

SUPER BLUE SCU™ 'COLD' UV DRYING SYSTEM

PRESS	COLOR/SIZE	LAMPS	RATING	PRICE
HEIDELBERG SPEEDMASTER 102CD 8+L	8CT / 40	12	300 watt/inch	$ 338,728.

One lamp each between printing units 1/2, 2/3, 3/4, 4/5, 5/6, 6/7, 7/8, 8/CT and four in the delivery.

OPTIONS:

Memory	$ 9,000.
Ramping	$ 16,200.

RECOMMENDED SPARE PARTS:

UV Lamps (each)	$ 338.
Filter Tubes (each)	$ 587.

PURPOSE

Curing (drying) UV inks, varnishes or coating on sheet or web fed presses.

APPLICATION

Paper, Card, Carton Board, Corrugated, Plastic, Foil

CONFIGURATION

Curing heads are linked to impression of press and automatically switch to standby mode when press is off impression for five minutes. If no further action is taken, then lamps automatically turn off; if the press is put back into impression, the lamps automatically return too full power.

Standard Control Unit contains all necessary switchgear and controls to provide individual lamp selection, full and reduced individual power switching, elapsed life meters, lamp indicators and emergency stop button.

Main power transformer, capacitor banks and closed loop exchanger plant are supplied as floor standing modules. Full safety interlock circuits are fitted throughout. Ozone and heat extraction from the press are not normally required.

SPECIAL FEATURES

- 'Cold' UV Dryer controls integrated with press controls
- 'Panel Ajar/Catwalk' warning to make lamps inoperable
- LED conductivity with diagnostic meter for deionized water system
- Heat exhaust on all between unit stations

Enclosures: Sales Terms and Conditions
Terms of Proposal

W000636

10954 Shady Trail Dallas, Texas 75220 U.S.A. Telephone 214-353-9000 Telex 794028 Superblue dal Fax 214-357-5847

Printing Research, Inc.
"Mark-less" Super Blue®

WCCU 095822
Williamson Printing Corp.
August 22, 1995

PROPOSAL
for
SCHEFFER 4 ROLL WEB COATING & SUPER BLUE WEB 'COLD' UV DRYING SYSTEM

One 38 inch UV coating system suitable for speeds up to 1200 ft/in. - two side application. Features for each side application include but are not limited to the following:

1. **FOUR ROLL DESIGN COATER TRAIN**

   A. EPDM cover pan roller of 85 durometer, 0-85 RPM with running mechanical impression adjustment to transfer cylinder. Pan roller is variable speed controlled with "skewing" capability for added film regulation. Sunday drive with ¾ H.P. for continuous movements of pan roller when press is down. Pan roll has quick change clam shell bearing arrangement.

   B. Stainless steel anilox transfer cylinder with 200 cell "Roto-Flo" design to facilitate even application of coating. Doctor blade assembly, adjustable on the run from gear to operator side included. Sunday drive similar to pan roll drive included to keep wet cylinders moving. Anti-sling ring assemblies with running adjustments at ends of cylinder transfer is sized larger for optimum material transfer.

   C. Magnetic plate cylinder, undercut to be discussed and determined by customer based upon type and style of plate to be used. Grid pattern for plate positioning included.

   D. Solid nickel plated impression cylinder.

2. Both plate and impression cylinders are adjustable on the fly from gear to operator side up to .005".

3. Stainless steel coater pan with double diaphragm recirculating pump/tank and flow control. Internal components designed to operate with U.V. coating material.

4. Motorized 360° circumferential register and ± ¼" motorized sidelay. Adjustments can be made at coater or at remote station pre-wired and provided by Scheffer. Location to be determined by customer.

W000637

10954 Shady Trail Dallas, Texas 75220 U.S.A. Telephone 214-353-9000 Telex 794028 Superblue dal Fax 214-357-5847

5. Tandler gear box with pneumatic clutch with on/off indicator.

6. Weight of each side coater - approximately 10,000 pounds.

7. On/Off pneumatic impression of plate and impression cylinders.

8. HSP requirements: Running 4 HSP.
Braking 10 HSP.

9. Two roll, chill roll stand with variable speed control. Rotary unions and piping included. Drive connection included.

10. Main support structure, drive connections and guarding. Four sided work platform, handrails and ladder and all necessary lead in/lead out idler rollers included. These idler rollers are multi-adjustable.

11. A. Six each curing heads linked to impression of press and automatically switch to standby mode when press is off impression for five minutes. If no further action is taken, then lamps automatically turn off; if the press is put back into impression, the lamps automatically return to full power.

Standard Control Unit contains all necessary switchgear and controls to provide individual lamp selection, full and reduced individual power switching, elapsed life meters, lamp indicators and emergency stop button.

Main power transformer, capacitor banks and closed loop heat exchanger plant are supplied as floor standing modules. Full safety interlock circuits are fitted throughout. Ozone/heat extraction from the UV dryer tunnel are not normally required.

B. Special features include:
- Water Cooled Shutters
- Water Cooled Heat Sink Plate
- LED conductivity with diagnostic meter for deionized water system
- Heat exhaust on each UV lamp head

PRICE: $697,714 for complete two side application.

Option if installed on an existing press: Web severer and web break detectors $6,600.

SHIPPING INSTALLATION: Estimated at $20,000-$40,000. Start-up and training included.

SPARE PARTS: Recommendations: To be advised.

PRICING:

Prices include standard support structure, drive take-off from the press, guarding and crating.

Prices exclude any service charge for the installation, start-up, web-up platforms, ladders or handrails.

TERMS:

50% with order.
40% prior to shipment.
10% net thirty days from date of shipment.

SHIPMENT:

16-20 weeks.

The above shipping schedule is based upon existing backlogs. The actual shipping schedule date will be confirmed upon receipt of order and the down payment.

All equipment "ex-works" Merrillville, Indiana

PRINTING RESEARCH, INC.
TERMS OF PROPOSAL

1. PRICING: Prices are based on clear access to and within the press to install our standard equipment. Any variance, deviation or encumbrance will be subject to price review. Installation is priced separately and all electrical, plumbing, engineering or other contracted services including materials to prepare the site for installation are the customer's responsibility.

2. TERMS: 40% with purchase order and signed sales contract. 50% upon notification of readiness for shipment. Please note in order to release shipments, payment must be received. Balance 30 days after installation or 45 days from delivery, whichever is earlier. Please Note, when payment for a unit is due, it is payable without regard to the status of another unit which might be purchased at the same time.

3. WARRANTY CONDITIONS: 12 months on defective parts. EXCEPTION: UV Lamps - Guaranteed for 1000 operating hours. If failure occurs prior to 1000 hours of operation and after seller's inspection, proves to be due to manufacturing defects, 100% credit or a free replacement lamp will be provided.

4. CONDITIONS OF SALE: This quotation is subject to our "General Terms and Conditions for Coating and Drying Systems" on reverse of Summary. The company accepts no liability whatsoever for any loss of production, loss of profit or other loss to customer in connection with the equipment and/or its installation.

5. STANDARD DELIVERY: Is usually 12 - 16 weeks from receipt of official order and first stage payment. FOB Factory.

6. INSTALLATION AND TRAINING: $575.00 per day per man plus airfare. ($85 per hour if work day exceeds 8 hours).

7. ELECTRICAL STANDARD: 220/240, 460/480 volts, 3 or 4 wire (Delta or Wye) 60 hz. Existing electrical services must be specified on the purchase order.

   Notes: A. AB1 Air Blanket 1 Infrared Dryer BV BacVac Vacuum Transfer System standard electrical supply voltage 220/240 volts.
   B.ABII Air Blanket 11 Infrared Dryer standard electrical supply voltage 460/480 volts.
   C.HV High Velocity Hot Air Dryer standard electrical supply voltage 460/480 volts.
   Electrical service other than that quoted above may cause a delay and an additional charge for a transformer.

8. SERVICES TO BE PAID FOR AND PROVIDED BY CUSTOMER:

   GENERAL: Buyer agrees to prepare the press for installation, which may require relocating accessories including spray powder units, static bars, etc. Any relocation or modification of accessories will be the sole responsibility of the buyer. In the event Printing Research (P.R.I.) technicians are requested to modify or relocate any accessory, there will be an additional charge assessed to the buyer based on P.R.I.'s applicable hourly rates. P.R.I. will not warranty the performance of any accessories moved. When applicable, the buyer will supply clean, dry compressed air.

   HV/PBC/IR/UV/EZ/BV/VH

   The customer agrees to supply and pay for electricians, plumbers, engineering services and all materials required to install and interconnect (if necessary) the equipment being supplied by Printing Research, Inc. The electrical, plumbing, water, compressed air and refrigeration lines being supplied by the customer are to be connected to the equipment being installed. Printing Research, Inc. is responsible for activating the installed systems and will supply the labor necessary in that regard.

9. ADDITIONAL SPECIFIC SERVICES TO BE PROVIDED BY CUSTOMER:

   HV (High Velocity Hot Air Dryer)
   - Provide duct work and duct work extraction.
   - Provide raised walkplates to cover air supply and return lines lying on the floor.

   PBC (Plate Blanket Coater)
   - Provide coating and cleaning agent for testing and training.
   - 55 gallon barrel of hydraulic oil
   - Compressed air line up to 100 p.s.i.
   - Lifting gear to place coater on press
   - Provide relief plate to conduct plate coating test.

   UV (Water Cooled and 'Cold' UV)
   - Duct work and extraction, if required
   - Clean, dry compressed air adjacent to within 10 feet of the location of lamps; compressor must be able to deliver 0.5 c.f.m. per linear inch per lamp at up to 100 p.s.i.
   - The chilling system is not precharged with refrigerant due to the variability of installation requirements and is priced accordingly. The customer agrees to pay for all refrigerant needed to complete the installation.

   'COLD' UV
   - Provide 25-50 gallons of non-charcoal filtered steam distilled water.
   - It is necessary to arrange for a local service water purification contract.

   EZ (EZ Impression Cylinder Coater)
   - Compressed air line up to 100 p.s.i.
   - Provide coating and cleaning agent for testing and training.
   - Grippers and gripper bar assemblies need to be cleaned and tuned prior to installation.

   VH (Vent-A-Hood)
   - Provide all duct work including penetrating and resealing the ceiling and/or roof and electrical interconnections to other equipment.

10. LOCAL INSPECTIONS, PERMITS OR CERTIFICATIONS:
   - Any additional local inspections, permits or certifications and the costs thereof are the sole responsibility of the buyer.

Prices are firm 60 days from the date of this proposal.

03/10/95

W000640

Printing Research, Inc.
"Mark-less" Super Blue®

August 22, 1995

Mr. Jerry Williamson
Williamson Printing Corporation
6700 Denton Drive
Dallas TX 75235

214-904-2100 (Phone)

Dear Jerry,

Referring to your letter of August 11, 1995, we respond to the pertinent points as follows:

1. We are in agreement.
2. We are in agreement.
3. Heidelberg Speedmaster CD102, 8+L (Press #5).
   A proposal for 'Cold' UV throughout is enclosed. (Proposal Number 095818).
4. Web Offset, 38 inch UV Coating System.
   A proposal for a Super Blue 'Cold' UV Drying System and a Scheffer Coating System is enclosed. (Proposal Number 095822).

Exclusivity Agreement:

1. We are in agreement.
2. Agreed, except that we would like to stay with:
   A. National Market - 6 months.
   B. Regional Market - 12 months.
3. Proposal is enclosed.
4. Proposal is enclosed.
5. We cannot agree to this clause since we have no way of knowing what our customers may wish to print and cannot dictate what they print.
6. We are in agreement.
7. We cannot agree to this clause:
   Liquidated damages and/or any lawsuit is simply not true to the spirit of our intentions.
8. We are in agreement with this clause, although we do not see the need for an 'unbiased aribtrator.' We do however feel uncomfortable with this clause since it is making our 'Partnering Agreement' more of a legal document than originally intended.

W000641

10954 Shady Trail Dallas, Texas 75220 U.S.A. Telephone 214-353-9000 Telex 794028 Superblue dal Fax 214-357-5847

Servicing Issue:

While we are committed to providing WPC with availability of our service team 24 hours a day, there will be cases when we will not have a man in Dallas able to instantly react to your need. Our service team are all available through pagers and will at least be able to advise over the telephone 24 hours a day. As for spare parts, we recommend a spare parts list that WPC can purchase and avert most difficulties in getting a needed part.

We look forward to a continuing 'Partnering in Progress' and are hopeful that this letter answers all outstanding issues.

Sincerely yours,

John Bird
Product Manager

JB:ln

Enclosures:

cc: Jesse Williamson/WPC
Bill Davis/WPC
Bob Emrick/WPC
Jim Johnson/WPC
Steve Garner
Steve Baker

Printing Research, Inc.
"Mark-less" Super Blue®

095818
Williamson Ptg. Corp.
August 18, 1995

SUMMARY OF PROPOSAL
for
HEIDELBERG SPEEDMASTER CD 8CT / 40

QTY	EQUIPMENT	PRICE
1	SUPER BLUE TWELVE LAMP 'COLD' UV DRYING SYSTEM (SCU)	$338,728.
	TOTAL EQUIPMENT (FOB Factory)	$338,728.

OPTIONS

MEMORY	$ 9,000.
RAMPING	$16,200.

ESTIMATE: INSTALLATION AND TRAINING $25,000.

QTY	RECOMMENDED SPARE PARTS	UNIT PRICE	EXTENSION
12	SPARE UV LAMPS	338.	$ 4,056.
4	FILTER TUBES	587.	2,348.
	TOTAL RECOMMENDED SPARE PARTS		$ 6,404.

'Proposal', 'Sales Terms and Conditions' on Reverse Side and 'Terms of Proposal' Accepted by:

NAME _____

TITLE _____

SIGNATURE _____

DATE _____

W000643

10954 Shady Trail Dallas, Texas 75220 U.S.A. Telephone 214-353-9000 Telex 794028 Superblue dal Fax 214-357-5847

Printing Research, Inc.
"Mark-less" Super Blue®

SCU 0951
Williamson Ptg. Co
August 18, 19

PROPOSAL

for

SUPER BLUE SCU™ 'COLD' UV DRYING SYSTEM

PRESS	COLOR/SIZE	LAMPS	RATING	PRICE
HEIDELBERG SPEEDMASTER 102CD 8+L	8CT / 40	12	300 watt/inch	$ 338,728.

One lamp each between printing units 1/2, 2/3, 3/4, 4/5, 5/6, 6/7, 7/8, 8/CT and four in the delivery.

OPTIONS:

Memory	$ 9,000.
Ramping	$ 16,200.

RECOMMENDED SPARE PARTS:

UV Lamps (each)	$ 338.
Filter Tubes (each)	$ 587.

PURPOSE

Curing (drying) UV inks, varnishes or coating on sheet or web fed presses.

APPLICATION

Paper, Card, Carton Board, Corrugated, Plastic, Foil

CONFIGURATION

Curing heads are linked to impression of press and automatically switch to standby mode when press is off impression for five minutes. If no further action is taken, then lamps automatically turn off; if the press is put back into impression, the lamps automatically return too full power.

Standard Control Unit contains all necessary switchgear and controls to provide individual lamp selection, full and reduced individual power switching, elapsed life meters, lamp indicators and emergency stop button.

Main power transformer, capacitor banks and closed loop exchanger plant are supplied as floor standing modules. Full safety interlock circuits are fitted throughout. Ozone and heat extraction from the press are not normally required.

SPECIAL FEATURES

- 'Cold' UV Dryer controls integrated with press controls
- 'Panel Ajar/Catwalk' warning to make lamps inoperable
- LED conductivity with diagnostic meter for deionized water system
- Heat exhaust on all between unit stations

Enclosures: Sales Terms and Conditions
Terms of Proposal

W000644

10954 Shady Trail Dallas, Texas 75220 U.S.A. Telephone 214-353-9000 Telex 794028 Superblue dal Fax 214-357-5847

Printing Research, Inc.
"Mark-less" Super Blue®

WCCU 095822
Williamson Printing Corp.
August 22, 1995

PROPOSAL
for
SCHEFFER 4 ROLL WEB COATING & SUPER BLUE WEB 'COLD' UV DRYING SYSTEM

One 38 inch UV coating system suitable for speeds up to 1200 ft/in. - two side application. Features for each side application include but are not limited to the following:

1. **FOUR ROLL DESIGN COATER TRAIN**

   A. EPDM cover pan roller of 85 durometer, 0-85 RPM with running mechanical impression adjustment to transfer cylinder. Pan roller is variable speed controlled with "skewing" capability for added film regulation. Sunday drive with ¾ H.P. for continuous movements of pan roller when press is down. Pan roll has quick change clam shell bearing arrangement.

   B. Stainless steel anilox transfer cylinder with 200 cell "Roto-Flo" design to facilitate even application of coating. Doctor blade assembly, adjustable on the run from gear to operator side included. Sunday drive similar to pan roll drive included to keep wet cylinders moving. Anti-sling ring assemblies with running adjustments at ends of cylinder transfer is sized larger for optimum material transfer.

   C. Magnetic plate cylinder, undercut to be discussed and determined by customer based upon type and style of plate to be used. Grid pattern for plate positioning included.

   D. Solid nickel plated impression cylinder.

2. Both plate and impression cylinders are adjustable on the fly from gear to operator side up to .005".

3. Stainless steel coater pan with double diaphragm recirculating pump/tank and flow control. Internal components designed to operate with U.V. coating material.

4. Motorized 360° circumferential register and ± ¼" motorized sidelay. Adjustments can be made at coater or at remote station pre-wired and provided by Scheffer. Location to be determined by customer.

W000645

10954 Shady Trail Dallas, Texas 75220 U.S.A. Telephone 214-353-9000 Telex 794028 Superblue dal Fax 214-357-5847

5. Tandler gear box with pneumatic clutch with on/off indicator.

6. Weight of each side coater - approximately 10,000 pounds.

7. On/Off pneumatic impression of plate and impression cylinders.

8. HSP requirements: Running 4 HSP.
Braking 10 HSP.

9. Two roll, chill roll stand with variable speed control. Rotary unions and piping included. Drive connection included.

10. Main support structure, drive connections and guarding. Four sided work platform, handrails and ladder and all necessary lead in/lead out idler rollers included. These idler rollers are multi-adjustable.

11. A. Six each curing heads linked to impression of press and automatically switch to standby mode when press is off impression for five minutes. If no further action is taken, then lamps automatically turn off; if the press is put back into impression, the lamps automatically return to full power.

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B. Special features include:
•Water Cooled Shutters
•Water Cooled Heat Sink Plate
•LED conductivity with diagnostic meter for deionized water system
•Heat exhaust on each UV lamp head

PRICE: $697,714 for complete two side application.

Option if installed on an existing press: Web severer and web break detectors $6,600.

SHIPPING INSTALLATION: Estimated at $20,000-$40,000. Start-up and training included.

SPARE PARTS: Recommendations: To be advised.

PRICING:

Prices include standard support structure, drive take-off from the press, guarding and crating.

Prices exclude any service charge for the installation, start-up, web-up platforms, ladders or handrails.

TERMS:

50% with order.
40% prior to shipment.
10% net thirty days from date of shipment.

SHIPMENT:

16-20 weeks.

The above shipping schedule is based upon existing backlogs. The actual shipping schedule date will be confirmed upon receipt of order and the down payment.

All equipment "ex-works" Merrillville, Indiana

PRINTING RESEARCH, INC.
TERMS OF PROPOSAL

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2. TERMS: 40% with purchase order and signed sales contract. 50% upon notification of readiness for shipment. Please note in order to release shipments, payment must be received. Balance 30 days after installation or 45 days from delivery, whichever is earlier. Please Note, when payment for a unit is due, it is payable without regard to the status of another unit which might be purchased at the same time.

3. WARRANTY CONDITIONS: 12 months on defective parts. EXCEPTION: UV Lamps - Guaranteed for 1000 operating hours. If failure occurs prior to 1000 hours of operation and after seller's inspection, proves to be due to manufacturing defects, 100% credit or a free replacement lamp will be provided.

4. CONDITIONS OF SALE: This quotation is subject to our "General Terms and Conditions for Coating and Drying Systems" on reverse of Summary. The company accepts no liability whatsoever for any loss of production, loss of profit or other loss to customer in connection with the equipment and/or its installation.

5. STANDARD DELIVERY: Is usually 12 - 16 weeks from receipt of official order and first stage payment. FOB Factory.

6. INSTALLATION AND TRAINING: $575.00 per day per man plus airfare. ($85 per hour if work day exceeds 8 hours).

7. ELECTRICAL STANDARD: 220/240, 460/480 volts, 3 or 4 wire (Delta or Wye) 60 hz. Existing electrical services must be specified on the purchase order.

   Notes: A. AB1 Air Blanket 1 Infrared Dryer BV BacVac Vacuum Transfer System standard electrical supply voltage 220/240 volts.
   B.ABII Air Blanket 11 Infrared Dryer standard electrical supply voltage 460/480 volts.
   C.HV High Velocity Hot Air Dryer standard electrical supply voltage 460/480 volts.
   Electrical service other than that quoted above may cause a delay and an additional charge for a transformer.

8. SERVICES TO BE PAID FOR AND PROVIDED BY CUSTOMER:

   GENERAL: Buyer agrees to prepare the press for installation, which may require relocating accessories including spray powder units, static bars, etc. Any relocation or modification of accessories will be the sole responsibility of the buyer. In the event Printing Research (P.R.I.) technicians are requested to modify or relocate any accessory, there will be an additional charge assessed to the buyer based on P.R.I.'s applicable hourly rate. P.R.I. will not warranty the performance of any accessories moved. When applicable, the buyer will supply clean, dry compressed air.

   HV/PBC/IR/UV/EZ/BV/VH

   The customer agrees to supply and pay for electricians, plumbers, engineering services and all materials required to install and interconnect (if necessary) the equipment being supplied by Printing Research, Inc. The electrical, plumbing, water, compressed air and refrigeration lines being supplied by the customer are to be connected to the equipment being installed. Printing Research, Inc. is responsible for activating the installed systems and will supply the labor necessary in that regard.

9. ADDITIONAL SPECIFIC SERVICES TO BE PROVIDED BY CUSTOMER:

   HV (High Velocity Hot Air Dryer)
   - Provide duct work and duct work extraction.
   - Provide raised walkplates to cover air supply and return lines lying on the floor.

   PBC (Plate Blanket Coater)
   - Provide coating and cleaning agent for testing and training.
   - 55 gallon barrel of hydraulic oil
   - Compressed air line up to 100 p.s.i.
   - Lifting gear to place coater on press
   - Provide relief plate to conduct plate coating test.

   UV (Water Cooled and 'Cold' UV)
   - Duct work and extraction, if required
   - Clean, dry compressed air adjacent to within 10 feet of the location of lamps; compressor must be able to deliver 0.5 c.f.m. per linear inch per lamp at up to 100 p.s.i.
   - The chilling system is not precharged with refrigerant due to the variability of installation requirements and is priced accordingly. The customer agrees to pay for all refrigerant needed to complete the installation.

   'COLD' UV
   - Provide 25-50 gallons of non-charcoal filtered steam distilled water.
   - It is necessary to arrange for a local service water purification contract.

   EZ (EZ Impression Cylinder Coater)
   - Compressed air line up to 100 p.s.i.
   - Provide coating and cleaning agent for testing and training.
   - Grippers and gripper bar assemblies need to be cleaned and tuned prior to installation.

   VH (Vent-A-Hood)
   - Provide all duct work including penetrating and resealing the ceiling and/or roof and electrical interconnections to other equipment

10. LOCAL INSPECTIONS, PERMITS OR CERTIFICATIONS:
   - Any additional local inspections, permits or certifications and the costs thereof are the sole responsibility of the buyer.

Prices are firm 60 days from the date of this proposal. 03/10/95

W000648

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re the Reissue Application of:			
BILL L. DAVIS and JESSE S. WILLIAMSON	§		
	§		
For Reissue of U. S. Patent 5,630,363	§	Group Art Unit:	2854
Issued May 20, 1997	§		
Serial No. 08/515,097	§		
	§		
Filing Date: May 20, 1999	§	Examiner:	S. Funk
	§		J. Hilten
	§		
Serial No.: 09/315,796	§		
	§		
For: **COMBINED LITHOGRAPHIC/ FLEXOGRAPHIC PRINTING APPARATUS AND PROCESS**	§		

RECEIVED
FEB 23 2001
TECHNOLOGY CENTER 2800

SUPPLEMENTAL DECLARATION OF JOHN W. BIRD

To: The Honorable Commissioner of
Patents and Trademarks
Washington, D.C. 20231

Sir:

1. I am the same John W. Bird who executed a Declaration on December 11, 1999, and reaffirm the statements made therein.

2. Attached hereto as Exhibit A are notes taken from various days of my monthly "Pocket Day Timer(s)" for August 1994 through May 2, 1995:

**	(A)	August 18, 1994;
*	(B)	August 29, 1994;
	(C)	September 12, 1994;
**	(D)	October 5, 1994;
*	(E)	November 14, 1994;
*	(F)	November 15, 1994;
	(G)	November 18, 1994;
**	(H)	November 21, 1994;
	(I)	December 20, 1994;
	(J)	January 4, 1995;
	(K)	January 30, 1995;
**	(L)	February 9, 1995;
	(M)	February 11, 1995;
*	(N)	February 13, 1995;
	(O)	February 15, 1995;
**	(P)	February 24, 1995;
	(Q)	March 1, 1995;
*	(R)	March 7, 1995;

* (S) March 10, 1995
(T) April 4, 1995
** (U) April 6, 1995;
* (V) April 25, 1995;
** (W) May 2, 1995;

From my day-timer, I recall having a number of meetings at Williamson and, at other times, telephone conferences, sometimes with both Bill Davis and Jesse Williamson (marked "**" above), and sometimes with Bill Davis (marked "*"), following the revelation to me by Steven Baker of Printing Research, in late July 1994 of the Davis-Williamson process [what became the '363] see paragraph 10 of my prior declaration. The unasterisked pages may have some relevance.

3. In these meetings and conferences, which started on or about August 18, 1994, Bill Davis and/or Jesse Williamson conveyed to me details of the process they wanted implemented by a modified "rack-back" device to go upstream, together with tests they wanted run in the fall of 1994, end-of-press at the two-color experimental test press at Printing Research.

4. Specifically, among other things, they discussed (a) the resolution requirements for their flexographic plates, (b) requirements for anilox rollers, including linescreening count ranges and minimums, the availability of anilox rollers having their desired features, (c) the WIMS process (now U.S. Pat. 5,370,976), (d) the problems with the printing of metallics / whites / opaques / encapsulated essences / and various other coatings with WIMS' '976, (e) their desire that the flexographic plates be mounted to the blanket cylinder, (f) their uses of and requirements for flexographic inks, and (g) half-tone printing, all using the new process. These matters were discussed in various meetings in August 1994, and ending, as I recall, in very late 1994.

5. The information which was conveyed to me by Bill Davis and Jesse Williamson, at the dates indicated above, often came in meetings where other printing problems of Williamson Printing Corporation were also discussed, as well as at social outings. I took this information and passed it on to various PRI personnel in order to help them design the coating device suitable to accomplish Davis-Williamson's desired process. At various times, I spoke

with Ron Rendelman, sometimes Howard DeMoore, Steve Garner, Steve Baker and Dave Douglas, although Ron Rendleman was certainly the principle person to whom I discussed Williamson's specific requirements and the information given to me in the meetings indicated above.

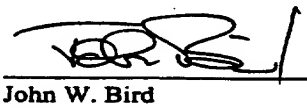
6. The entry on February 15, 1995 mentions that UK flexographic metallic coating manufacturer Wolstenholme [International] is going to visit April 1, 1995 "onwards". On April 4, 1995 another entry occurs where metallic coating manufacturer "M.D. Both" arrives at Williamson Printing Corporation with both employees Marshall and Glass, M.D. Both are owned by Wolstenholme, and these entries relate to meetings concerned specific requirements for metallic coatings to be used in the new '363 process in order to deliver the highest brilliance.

7. The cantilevered or "ferris wheel" device started to be worked on at PRI, in earnest, in very late 1994 following the discussions from August 1994 - November 1994. I note the frequency of the meetings with both Jesse Williamson and Bill Davis starting on August 18, 1994.

8. My conference with Lapomarde (see my first declaration ¶17) and my "inkling" occurred well after I learned of the new Williamson process. By that time I had already seen the result of the Brian Liester "medieval poster" which occurred in March 1995.

9. I notice that the priority date of EP 741 025 A3, Exhibit B hereto, is May 4, 1995, which is consistent with my recollection that Printing Research filed a patent application on the cantilevered device, or "ferris wheel", in the Spring of 1995. I note the priority application is Serial No. 435,798. I did not intend to claim the Davis-Williamson process and to the best of my knowledge, no one at PRI indicated in 1995 they intended to claim the Davis-Williamson '363 process. Those '363 process aspects taught in EP 741 025 A3 – as opposed to the teachings concerning the cantilevered device or "ferris wheel" – came from the discussions with Bill Davis and/or Jesse Williamson indicated above, starting in August 1994.

The undersigned Declarant stated further that all statements made herein of Declarant's own knowledge are true, and that all statements made on information and belief are believed to be true; and further that these statements were made with the knowledge that willful false statements and the like so made are punishable by fine or imprisonment, or both, under Section 1001 of Title 18 of the United States Code.



John W. Bird

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Date: